

worked tirelessly with me over the last several months to shape and enhance tribal welfare provisions that could be acceptable in any welfare reform plan. Senator HATCH is a member of the Senate Finance Committee and he is a new member of the Senate Committee on Indian Affairs. He has demonstrated a great level of understanding and commitment to the betterment of the lives of Indian people, and I commend Senator HATCH for his steadfast leadership in ensuring that Indian tribal governments are fairly treated in the welfare reform debate.

Mr. President, I understand that other major welfare reform proposals make an effort to similarly address the needs of Indian tribes. While I have placed my full support behind the provisions of H.R. 4 related to Indian tribal governments, I want to make sure to recognize the attention that has been paid and the work that has been done on behalf of Indian tribal governments by my colleague so the other side of the aisle. For example, I know that S. 1117 would have provided a 3-percent allocation of funds to Indian tribes under the JOBS Program and would have authorized new funding for teen pregnancy prevention and for teen parent group homes, and like the Dole substitute bill, provides continued funding for child care and development block grants to tribes.

The spirit in which the Senate has acted has adhered to a principle that I believe should guide the Congress in matters of Indian affairs: Indian issues are neither Republican, nor Democratic. They are not even bipartisan issues—they are nonpartisan issues. They are day-to-day human issues which call for a level of understanding on both sides of the aisle. While this body is not in total agreement with just how to reform welfare, the one thing we all agree upon is that whatever new form this Nation's welfare system takes, providing equal access to the Nation's Indian population is not only the right thing to do, it honorably discharges some of our continuing responsibilities under the U.S. Constitution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### SENATE ETHICS COMMITTEE PERFORMED WITH HONOR

Mr. BYRD. Mr. President, one definition given for the word "ethics" by the Random House Dictionary is—and I quote—"The branch of philosophy dealing with values relating to human con-

duct, with respect to the rightness and wrongness of certain actions and to the goodness and badness of the motives and ends of such actions."

Members of this body who are called to service on the Ethics Committee are asked to make judgments quite unlike the judgments required by service on any other committee of the Senate. These individuals are called upon to grapple not only with public policy and legal and constitutional questions, but also with the deeper philosophical questions which have confronted the human race since Adam and Eve found themselves tempted in the Garden—namely "the rightness and wrongness of certain actions" by their own colleagues. There is no more daunting task than this.

To be asked to sit in judgment of another's actions and motives is, in one sense, an honor, but it is also a humbling experience for those who are so honored to sit in judgment. And with that charge must come the certain inner realization that no one among us is without fault, that none of us is free from errors in judgment, weakness, and at times failings of character. Such task is made all the more difficult in a body such as this, where politics too easily intrudes, and where friendships developed over long years can cloud one's objectivity.

I am deeply saddened by the tragedy that has befallen our colleague, Senator PACKWOOD. However, he has done the right thing in choosing to spare the Senate further agony over his fate. Although this experience has been difficult for all concerned, one thing is clear. The Senate Ethics Committee has again performed its most arduous function with honor, thoroughness and professionalism. I commend the chairman of the committee, Senator MCCONNELL, vice chairman, Senator BRYAN, Senator MIKULSKI, Senator SMITH, Senator DORGAN, and Senator CRAIG for their handling of this extremely contentious matter. I commend the very professional staff of the Ethics Committee for their diligent work stretching over some 2½ years. I understand that the staff read 16,000 pages of documents, spent approximately 1,000 hours in meetings and interviewed over 260 witnesses during the investigation of this matter. That staff has served the Senate well.

We live in times which are, unfortunately, more politically charged and ruthlessly partisan than I have ever witnessed in my tenure in the Senate. And it is nothing short of amazing that the Ethics Committee, evenly split among Democrats and Republicans, could come to a unanimous decision on this very unfortunate and highly politically charged matter. They were pulled and they were tugged by the media, by other colleagues, by an enormous workload, by political forces outside this body, and I am sure by their own personal inner turmoil over judging the actions and determining the fate of a fellow human being. Still and

all, they came through. The ability of the Senate to police itself has been questioned time and time again. In this instance, perhaps the committee's toughest test in many years, I believe that the question has certainly been answered in the affirmative.

I yield the floor and suggest the absence of a quorum.

Mr. SANTORUM. If the Senator will withhold.

Mr. BYRD. I withhold my request.

#### FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Pennsylvania.

#### AMENDMENT NO. 2588 TO AMENDMENT NO. 2280

(Purpose: To require States to provide voucher assistance for children born to families receiving assistance)

Mr. SANTORUM. Mr. President, I send to the desk an amendment on behalf of the Senator from Rhode Island, Senator CHAFEE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for Mr. CHAFEE, proposes an amendment numbered 2588 to amendment No. 2280.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, beginning with line 12, strike all through line 17, and insert the following:

(2) Vouchers for children born to families receiving assistance—States must provide vouchers in lieu of cash assistance which may be used only to pay for particular goods and services specified by the State as suitable for the care of the child.

Mr. SANTORUM. Mr. President, I ask unanimous consent that that amendment be set aside for later consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### AMENDMENT NO. 2589 TO AMENDMENT NO. 2280

(Purpose: To provide for child support enforcement agreements between the States and Indian tribes or tribal organizations)

Mr. SANTORUM. Mr. President, I send to the desk an amendment on behalf of the Senator from Arizona, Senator MCCAIN, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for Mr. MCCAIN, proposes an amendment No. 2589 to amendment No. 2280.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 583, between lines 6 and 7, insert the following:

“(4) FAMILIES UNDER CERTAIN AGREEMENTS.—In the case of a family receiving assistance from an Indian tribe, distribute the amount so collected pursuant to an agreement entered into pursuant to a State plan under section 454(32).

On page 712, between lines 9 and 10, insert the following:

**SEC. 972. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES.**

(a) CHILD SUPPORT ENFORCEMENT AGREEMENTS.—Section 454 (42 U.S.C. 654), as amended by sections 901(b), 904(a), 912(b), 913(a), 933, 943(a), and 970(a)(2) is amended—

(1) by striking “and” at the end of paragraph (30);

(2) by striking the period at the end of paragraph (31) and inserting “; and”; and

(3) by adding after paragraph (31) the following new paragraph:

“(32) provide that a State that receives funding pursuant to section 429 and that has within its borders Indian country (as defined in section 1151 of title 18, United States Code) shall, through the State administering agency, make reasonable efforts to enter into cooperative agreements with an Indian tribe or tribal organization (as defined in paragraphs (1) and (2) of section 428(c)), if the Indian tribe or tribal organization demonstrates that such tribe or organization has an established tribal court system or a Court of Indian Offenses with the authority to establish paternity, establish and enforce support orders, and to enter support orders in accordance with child support guidelines established by such tribe or organization, under which the State and tribe or organization shall provide for the cooperative delivery of child support enforcement services in Indian country and for the forwarding of all funding collected pursuant to the functions performed by the tribe or organization to the State agency, or conversely, by the State agency to the tribe or organization, which shall distribute such funding in accordance with such agreement.”.

(b) DIRECT FEDERAL FUNDING TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Section 455 (42 U.S.C. 655) is amended by adding at the end the following new subsection:

“(b) The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization which has an approved child support enforcement plan under this title. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an agreement entered into pursuant to section 454(32). The Secretary shall provide for an appropriate adjustment to the State allotment under this section to take into account any payments made under this subsection to Indian tribes or tribal organizations located within such State.

(c) COOPERATIVE ENFORCEMENT AGREEMENTS.—Paragraph (7) of section 454 (42 U.S.C. 654) is amended by inserting “and Indian tribes or tribal organizations (as defined in section 450(b) of title 25, United States Code)” after “law enforcement officials”.

Mr. SANTORUM. Mr. President, I ask unanimous consent that that amendment be set aside for later consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 2590 TO AMENDMENT NO. 2280

(Purpose: To provide that case record data submitted by the States be disaggregated, to provide funding for certain research, demonstration, and evaluation projects, and for other purposes)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment for myself, Ms. SNOWE, Mr. ROCKEFELLER, and Mr. BYRD.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself, Ms. SNOWE, Mr. ROCKEFELLER, and Mr. BYRD, proposes an amendment No. 2590 to amendment No. 2280.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, between lines 21 and 22, insert the following:

“(f) ADDITIONAL AMOUNT FOR STUDIES AND DEMONSTRATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated and there are appropriated for each fiscal year described in subsection (a)(1) an additional amount equal to 0.20 percent of the amount appropriated under subparagraph (A) of subsection (a)(4) for the purpose of paying—

“(A) the Federal share of any State-initiated study approved under section 410(g);

“(B) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to part A of title IV of this Act, that are in effect or approved under section 1115 as of October 1, 1995, and are continued after such date;

“(C) the cost of conducting the research described in section 410(a); and

“(D) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under section 410(b).

“(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

“(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

“(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

On page 26, line 22, strike “(f)” and insert “(g)”.

On page 53, beginning on line 7, strike all through page 55, line 7, and insert the following:

“(a) IN GENERAL.—The Secretary, in consultation with State and local government officials and other interested persons, shall develop a quality assurance system of data collection and reporting that promotes accountability and ensures the improvement and integrity of programs funded under this part.

“(b) STATE SUBMISSIONS.—

“(1) IN GENERAL.—Not later than the 15th day of the first month of each calendar quarter, each State to which a grant is made under section 403 shall submit to the Secretary the data described in paragraphs (2) and (3) with respect to families described in paragraph (4).

“(2) DISAGGREGATED DATA DESCRIBED.—The data described in this paragraph with respect to families described in paragraph (4) is a sample of monthly disaggregated case record data containing the following:

“(A) The age of the adults and children (including pregnant women) in each family.

“(B) The marital and familial status of each member of the family (including whether the family is a 2-parent family and whether a child is living with an adult relative other than a parent).

“(C) The gender, educational level, work experience, and race of the head of each family.

“(D) The health status of each member of the family (including whether any member of the family is seriously ill, disabled, or incapacitated and is being cared for by another member of the family).

“(E) The type and amount of any benefit or assistance received by the family, including—

“(i) the amount of and reason for any reduction in assistance, and

“(ii) if assistance is terminated, whether termination is due to employment, sanction, or time limit.

“(F) Any benefit or assistance received by a member of the family with respect to housing, food stamps, job training, or the Head Start program.

“(G) The number of months since the family filed the most recent application for assistance under the program and if assistance was denied, the reason for the denial.

“(H) The number of times a family has applied for and received assistance under the State program and the number of months assistance has been received each time assistance has been provided to the family.

“(I) The employment status of the adults in the family (including the number of hours worked and the amount earned).

“(J) The date on which an adult in the family began to engage in work, the number of hours the adult engaged in work, the work activity in which the adult participated, and the amount of child care assistance provided to the adult (if any).

“(K) The number of individuals in each family receiving assistance and the number of individuals in each family not receiving assistance, and the relationship of each individual to the youngest child in the family.

“(L) The citizenship status of each member of the family.

“(M) The housing arrangement of each member of the family.

“(N) The amount of unearned income, child support, assets, and other financial factors considered in determining eligibility for assistance under the State program.

“(O) The location in the State of each family receiving assistance.

“(P) Any other data that the Secretary determines is necessary to ensure efficient and effective program administration.

“(3) AGGREGATED MONTHLY DATA.—The data described in this paragraph is the following aggregated monthly data with respect to the families described in paragraph (4):

“(A) The number of families.

“(B) The number of adults in each family.

“(C) The number of children in each family.

“(D) The number of families for which assistance has been terminated because of employment, sanctions, or time limits.

“(4) FAMILIES DESCRIBED.—The families described in this paragraph are—

“(A) families receiving assistance under a State program funded under this part for each month in the calendar quarter preceding the calendar quarter in which the data is submitted,

“(B) families applying for such assistance during such preceding calendar quarter, and

“(C) families that became ineligible to receive such assistance during such preceding calendar quarter.

“(5) APPROPRIATE SUBSETS OF DATA COLLECTED.—The Secretary shall determine appropriate subsets of the data described in

paragraphs (2) and (3) that a State is required to submit under paragraph (1) with respect to families described in subparagraphs (B) and (C) of paragraph (4).

“(6) **SAMPLING AND OTHER METHODS.**—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of each State’s program performance. The Secretary is authorized to develop and implement procedures for verifying the quality of data submitted by the States.

On page 58, between lines 5 and 6, insert the following:

“(j) **REPORT TO CONGRESS.**—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

“(1) whether the States are meeting—  
“(A) the participation rates described in section 404(a); and

“(B) the objectives of—  
“(i) increasing employment and earnings of needy families, and child support collections; and

“(ii) decreasing out-of-wedlock pregnancies and child poverty;

“(3) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

“(4) the characteristics of each State program funded under this part; and

“(5) the trends in employment and earnings of needy families with minor children.

On page 58, beginning on line 8, strike all through page 58, line 21, and insert the following:

“(a) **RESEARCH.**—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate.

“(b) **DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.**—

“(1) **IN GENERAL.**—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

“(2) **EVALUATIONS.**—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

On page 58, line 22, strike “(d)” and insert “(c)”.

On page 59, line 4, strike “(e)” and insert “(d)”.

On page 59, line 22, strike “(f)” and insert “(e)”.

On page 60, between lines 13 and 14, insert the following:

“(g) **STATE-INITIATED STUDIES.**—A State shall be eligible to receive funding to evaluate the State’s family assistance program funded under this part if—

“(1) the State submits a proposal to the Secretary for such evaluation,

“(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States, and

“(3) unless otherwise waived by the Secretary, the State provides a non-Federal share of at least 10 percent of the cost of such study.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NOS. 2591 THROUGH 2593, EN BLOC,  
TO AMENDMENT NO. 2280

Mr. MOYNIHAN. Mr. President, I now send to the desk three amendments by Senator BOXER and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendments.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for Mrs. BOXER, proposes amendments numbered 2591 through 2593, en bloc, to amendment No. 2280.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2591

(Purpose: To provide for a child care maintenance of effort)

On page 17, line 2, strike “and (5)” and insert “(5), and (6)”.

On page 24, between lines 18 and 19, and insert the following:

“(6) **CHILD CARE MAINTENANCE OF EFFORT.**—

“(A) **IN GENERAL.**—The amount of the grant otherwise determined under paragraph (1) for fiscal year 1997, 1998, 1999, and 2000 shall be reduced by the amount by which State expenditures under the State program funded under this part for child care for the preceding fiscal year is less than historic State child care expenditures.

“(B) **HISTORIC STATE CHILD CARE EXPENDITURES.**—For purposes of this paragraph, the term “historic State child care expenditures” means amounts expended for fiscal year 1994 for child care under—

“(i) section 402(g)(1)(A)(i) of this Act (relating to AFDC—JOBS child care) (as in effect during such year);

“(ii) section 402(g)(1)(A)(ii) of this Act (relating to transitional child care) (as so in effect); and

“(iii) section 402(i) of this Act (relating to at-risk child care) (as so in effect).

“(C) **DETERMINING STATE EXPENDITURES.**—For purposes of this paragraph, State expenditures shall not include any expenditures from amounts made available by the Federal Government.

“(D) **BONUS FOR STATES WITH HIGH WORK PARTICIPATION RATES.**—The Secretary shall distribute (in a manner to be determined by the Secretary) amounts by which State grants are reduced under this section to States that exceed the minimum participation rates specified under section 404(a). If no State qualifies for such distribution, the Secretary may retain such amounts for distribution in succeeding years.

AMENDMENT NO. 2592

(Purpose: To provide that State authority to restrict benefits to noncitizens does not apply to foster care or adoption assistance programs)

On page 292, line 5, strike “and”.

On page 292, line 11, strike the end period and insert “, and”.

On page 292, between lines 11 and 12, insert: (F) payments for foster care and adoption assistance under part E of title IV of the Social Security Act.

AMENDMENT NO. 2593

(Purpose: Expressing the sense of the Senate on restrictions on providing medical information by recipients of Federal aid)

At the appropriate place, insert the following new section:

**SEC. . SENSE OF SENATE REGARDING GAG RULE.**

It is the sense of the Senate that, notwithstanding any other provision of law, receipt of Federal funding by providers of health care or social services shall not permit the Federal Government, States, counties, or any other political subdivisions to restrict the content of any medical information provided by those providers in furtherance of the provision of health care or social services to their patients or clients.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 2594 THROUGH 2609, EN BLOC,  
TO AMENDMENT NO. 2280

Mr. SANTORUM. Mr. President, I send 16 amendments, en bloc, on behalf of Senator FAIRCLOTH and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for Mr. FAIRCLOTH, proposes amendments numbered 2594 through 2609, en bloc.

Mr. SANTORUM. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2594

(Purpose: To prohibit direct cash benefits for out of wedlock births to minors except under certain condition)

On page 49, strike line 13 through line 19 and insert the following.

“(b) **NO ASSISTANCE FOR OUT-OF-WEDLOCK BIRTHS TO MINORS UNLESS CERTAIN CONDITIONS ARE MET.**—Notwithstanding subsection (d), a State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a child born out-of-wedlock to an individual who has not attained 18 years of age, or for the individual, until the individual attains such age or unless the following conditions are met:

“(A) The individual is in, or has graduated from, a secondary school or a program offering the equivalent of vocational or technical training, or has obtained a certificate of high school equivalency.

“(B) Any cash benefits for the child or the individual are provided only to—

“(i) an adult with whom the individual or child reside, and whom the State recognizes as acting in loco parentis with respect to the individual; or

“(ii) the maternity home, foster home, or other adult-supervised supportive living arrangement in which the individual lives.

“(C) Any vouchers provided in lieu of cash benefits for the individual or the child may be used only to pay for—

“(i) particular goods and services specified by the State as suitable for the care of the child (such as diapers, clothing, or cribs); or

“(ii) the costs associated with a maternity home, foster home, or other adult supervised supportive living arrangement in which the individual and child live.

“(D) EXCEPTION FOR RAPE OR INCEST.—Subparagraph (A) shall not apply with respect to a child who is born as a result of rape or incest.”

AMENDMENT NO. 2595

(Purpose: To require the Secretary of Housing and Urban Development to submit a report regarding disqualification of illegal aliens from housing assistance programs)

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . REPORT ON DISQUALIFICATION OF ILLEGAL ALIENS FROM HOUSING ASSISTANCE PROGRAMS.**

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Committees on the Judiciary of the House of Representatives and the Senate, the Committee on Banking and Financial Services of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, a report describing the manner in which the Secretary is enforcing section 214 of the Housing and Community Development Act of 1980.

(b) CONTENTS.—The report submitted under subsection (a) shall include statistics with respect to the number of aliens denied financial assistance under such section.

Amend the table of contents accordingly.

AMENDMENT NO. 2596

(Purpose: To express the sense of the Congress regarding a work requirement for public housing residents)

At the appropriate place, insert the following:

**SEC. . SENSE OF THE CONGRESS REGARDING A WORK REQUIREMENT FOR PUBLIC HOUSING RESIDENTS.**

It is the sense of the Congress that able-bodied residents of public housing (as such term is defined in section 3(b) of the United States Housing Act of 1937) should be required to perform work service to improve and maintain the facilities in which they live.

Amend the table of contents accordingly.

AMENDMENT NO. 2597

(Purpose: To require ongoing State evaluations of activities carried out through statewide workforce development systems)

At the end of section 731, insert the following:

(f) EVALUATIONS.—

(1) COVERED ACTIVITIES.—The activities referred to in this subsection are activities carried out under this subtitle or subtitle C.

(2) IN GENERAL.—Each State that carries out activities described in paragraph (1) shall conduct ongoing evaluations of such activities.

(3) METHODS.—The State shall conduct such evaluations through controlled experiments using experimental and control groups chosen by random assignment. In conducting the evaluations, the State shall, at a min-

imum, determine whether activities described in paragraph (1) effectively raise the hourly wage rates of participants in such activities.

(4) ONGOING NATURE OF EVALUATIONS.—At any given time during the 2-year period of the program, the State shall conduct at least 1 such evaluation of the activities described in paragraph (1).

AMENDMENT NO. 2598

(Purpose: To provide for transferability of funds)

At the end of section 712, insert the following:

(d) TRANSFERABILITY TO OPERATE WORK PROGRAMS.—

(1) TRANSFERS TO OTHER WORK AND TRAINING ACTIVITIES.—The Governor of a State that receives an allotment under this section may use 25 percent of the funds made available through the allotment—

(A) to enable the State to meet the minimum participation rates described in section 404(a) of the Social Security Act (as amended by section 101), including the provision of such child care services as the Governor may determine to be necessary to meet the rates; or

(B) for the implementation of work and training programs for recipients of Federal means tested assistance (as defined by the Federal Partnership), including the provision of the child care services described in subparagraph (A).

(2) TRANSFERS FROM OTHER WORK AND TRAINING ACTIVITIES.—The Governor of a State that receives funds under part A of title IV of the Social Security Act, or Federal financial assistance to carry out the programs described in paragraph (1)(B), may use 25 percent of the funds or financial assistance to carry out the activities described in this subtitle.

AMENDMENT NO. 2599

(Purpose: To provide for transferability of funds allotted for workforce preparation activities for at-risk youth)

In section 759(b), add at the end the following:

(3) TRANSFERS TO OTHER WORK AND TRAINING ACTIVITIES.—The Governor of a State that receives an allotment under this section may use 25 percent of the funds made available through the allotment—

(A) to enable the State to meet the minimum participation rates described in section 404(a) of the Social Security Act (as amended by section 101), including the provision of such child care services as the Governor may determine to be necessary to meet the rates; or

(B) for the implementation of work and training programs for recipients of Federal means tested assistance (as defined by the Federal Partnership), including the provision of the child care services described in subparagraph (A).

(4) TRANSFERS FROM OTHER WORK AND TRAINING ACTIVITIES.—The Governor of a State that receives funds under part A of title IV of the Social Security Act, or Federal financial assistance to carry out the programs described in paragraph (3)(B), may use 25 percent of the funds or financial assistance to carry out the activities described in this subtitle.

AMENDMENT NO. 2600

(Purpose: To allow a State agency to make cash payments to certain individuals in lieu of food stamp allotments)

On page 200, between 11 and 12, insert the following:

**SEC. 321. CASH AID IN LIEU OF ALLOTMENT.**

Section 7 of the Food Stamp Act of 1977 (7 U.S.C. 2016) (as amended by section 320) is

further amended by adding at the end the following:

“(k) CASH AID IN LIEU OF COUPONS.—

“(1) ELIGIBLE INDIVIDUALS.—For purposes of this subsection, an individual shall be eligible if the individual is—

“(A) receiving benefits under this Act;

“(B) receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

“(C) participating in subsidized employment, on-the-job training, or a community service program under section 404 of the Social Security Act.

“(2) STATE OPTION.—In the case of an eligible individual described in paragraph (1), a State agency may—

“(A) convert the food stamp benefits of the household of which the individual is a member to cash, and provide the cash in a single integrated payment with cash aid under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

“(B) sanction the individual, or a household that contains the individual, or reduce the benefits of the individual or household under the same rules and procedures as the State uses under part A of title IV of the Act (42 U.S.C. 601 et seq.).

AMENDMENT NO. 2601

(Purpose: To integrate the temporary assistance to needy families with food stamp work rules)

On page 190, strike lines 9 through 17 and insert the following:

“(i) COMPARABLE TREATMENT UNDER SEPARATE PROGRAMS.—

“(1) IN GENERAL.—If a disqualification, penalty, or sanction is imposed on a household or part of a household for a failure of an individual to perform an action required under a Federal, State, or local law relating to a welfare or public assistance program, the State agency may impose the same disqualification, penalty, or sanction on the household or part of the household under the food stamp program using the rules and procedures that apply to the welfare or public assistance program.

AMENDMENT NO. 2602

(Purpose: To limit vocational education activities counted as work)

On page 36, between lines 13 and 14, insert the following:

“(4) LIMITATION ON VOCATIONAL EDUCATION ACTIVITIES COUNTED AS WORK.—For purposes of determining monthly participation rates under paragraphs (1)(B)(i)(I) and (2)(B)(i) of subsection (b), not more than 20 percent of adults in all families and in 2-parent families determined to be engaged in work in the State for a month may meet the work activity requirement through participation in vocational educational training.

AMENDMENT NO. 2603

(Purpose: To deny assistance for out-of-wedlock births to minors)

On page 49, strike lines 13 through 19, and insert the following:

“(b) NO ASSISTANCE FOR OUT-OF-WEDLOCK BIRTHS TO MINORS.—

“(1) GENERAL RULE.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a child born out-of-wedlock to an individual who has not attained 18 years of age, or for the individual, until the individual attains such age.

“(2) EXCEPTION FOR RAPE OR INCEST.—Paragraph (1) shall not apply with respect to a child who is born as a result of rape (other than statutory rape) or incest.

“(3) EXCEPTION FOR VOUCHERS.—Paragraph (1) shall not apply to vouchers which are provided in lieu of cash benefits and which may be used only to pay for particular goods and

services specified by the State as suitable for the care of the child involved.

“(4) STATE MAY ELECT NOT TO HAVE PROVISION APPLY.—

“(A) IN GENERAL.—Paragraph (1) shall not apply to a State during any period during which there is in effect a State law which provides that individuals described in paragraph (1) are eligible for cash benefits from funds made available under section 403.

“(B) TIME FOR ELECTION.—Subparagraph (A) shall only apply if such State law is in effect on or before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of the Work Opportunity Act of 1995.

“(C) TRANSITION RULE.—Paragraph (1) shall not apply in a State before the first day of the first calendar quarter described in subparagraph (B) unless there is in effect before such day a State law prohibiting cash benefits to individuals described in paragraph (1).

AMENDMENT NO. 2604

(Purpose: To provide for no additional cash assistance for children born to families receiving assistance)

On page 49, beginning with line 20, strike all through page 50, line 5, and insert the following:

“(c) NO ADDITIONAL CASH ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE.—

“(1) GENERAL RULE.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a minor child who is born to—

“(A) a recipient of benefits under the program operated under this part; or

“(B) a person who received such benefits at any time during the 10-month period ending with the birth of the child.

“(2) EXCEPTION FOR RAPE OR INCEST.—Paragraph (1) shall not apply with respect to a child who is born as a result of rape (other than statutory rape) or incest.

“(3) EXCEPTION FOR VOUCHERS.—Paragraph (1) shall not apply to vouchers which are provided in lieu of cash benefits and which may be used only to pay for particular goods and services specified by the State as suitable for the care of the child involved.

“(4) STATE MAY ELECT NOT TO HAVE PROVISION APPLY.—

“(A) IN GENERAL.—Paragraph (1) shall not apply to a State during any period during which there is in effect a State law which provides that individuals described in paragraph (1) are eligible for cash benefits from funds made available under section 403.

“(B) TIME FOR ELECTION.—Subparagraph (A) shall only apply if such State law is in effect on or before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of the Work Opportunity Act of 1995.

“(C) TRANSITION RULE.—Paragraph (1) shall not apply in a State before the first day of the first calendar quarter described in subparagraph (B) unless there is in effect before such day a State law prohibiting cash benefits to individuals described in paragraph (1).

AMENDMENT NO. 2605

(Purpose: To deny assistance for out-of-wedlock births to minors)

On page 49, strike lines 13 through 19, and insert the following:

“(b) NO ASSISTANCE FOR OUT-OF-WEDLOCK BIRTHS TO MINORS.—

“(1) GENERAL RULE.—A State to which a grant is made under section 403 may not use any part of the grant to provide cash benefits for a child born out-of-wedlock to an individual who has not attained 18 years of age, or for the individual, until the individual attains such age.

“(2) EXCEPTION FOR RAPE OR INCEST.—Paragraph (1) shall not apply with respect to a child who is born as a result of rape (other than statutory rape) or incest.

“(3) STATE OPTION.—Nothing in paragraph (1) shall be construed to prohibit a State from using funds provided by section 403 from providing aid in the form of vouchers that may be used only to pay for particular goods and services specified by the State as suitable for the care of the child such as diapers, clothing, and school supplies.

AMENDMENT NO. 2606

(Purpose: To provide for provisions relating to paternity establishment and fraud)

On page 42, between lines 21 and 22, insert the following:

“(f) PROVISIONS RELATING TO PATERNITY ESTABLISHMENT.—

“(1) PATERNITY NOT ESTABLISHED.—If a State provides cash benefits to families from grant funds received by the State under section 403, the State shall provide that if a family applying for such benefits includes a child who has not attained age 18 and who was born on or after January 1, 1996, with respect to whom paternity has not been established, such benefits shall not be available for—

“(A) such child (until the child attains age 18); and

“(B) the parent or caretaker relative of such child if the parent or caretaker relative of another child for whom benefits are available.

“(2) EXCEPTIONS.—Notwithstanding paragraph (1)—

“(A) the State may use grant funds received by the State under section 403 to provide cash benefits to a minor child who is up to 6 months of age for whom paternity has not been established if the parent or caretaker relative of the child provides the name, address, and such other identifying information as the State may require of an individual who may be the father of the child; and

“(B) the State may exempt up to 25 percent of all families in the population described in paragraph (1) applying for cash benefits from grant funds received by the State under section 403 which include a child who was born on or after January 1, 1996, and with respect to whom paternity has not been established, from the reduction imposed under paragraph (1).

AMENDMENT NO. 2607

(Purpose: To require State goals and a State plan for reducing illegitimacy)

On page 11, beginning on line 5, strike “, and establish” and all that follows through line 7, and insert a period.

On page 11, between lines 7 and 8, insert the following:

“SEC. 401A. GOALS AND PLAN OR REDUCING ILLEGITIMACY.

“(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, each State to which a grant is made under section 403 shall—

“(1) establish formal numeric goals for the State's illegitimacy ratio for fiscal years 1997 through 2007; and

“(2) submit a plan to the Secretary that—

“(A) outlines how the State intends to reduce the State's illegitimacy ratio; and

“(B) evaluates the potential impact of the State's plan for reducing the State's illegitimacy ratio on the State's abortion rate.

“(b) ILLEGITIMACY RATIO AND ABORTION RATE.—

“(1) ILLEGITIMACY RATIO.—For purposes of this section, the term ‘illegitimacy ratio’ means, with respect to a State and a fiscal year—

“(A) the number of out-of-wedlock births that occurred in the State during the most recent fiscal year for which such information is available; divided by

“(B) the number of births that occurred in the State during the most recent fiscal year for which such information is available.

“(2) ABORTION RATE.—For purposes of this section, the term ‘abortion rate’ means, with respect to a State and a fiscal year, the number of abortions performed in the State per 1,000 women who are residents of the State and are between the ages of 15 and 44 during the most recent fiscal year for which such information is available.

AMENDMENT NO. 2608

(Purpose: To provide for an abstinence education program)

On page 425, between lines 15 and 16, insert the following:

“(d) ABSTINENCE EDUCATION PROGRAM.—

“(1) FUNDS EARMARKED.—Of the amounts appropriated under subsection (a), \$200,000,000 shall be allocated to the States pursuant to the allocation formula and rules under title V of the Social Security Act (42 U.S.C. 701 et seq.) to be used exclusively for abstinence education, and at the option of the State, where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.

“(2) ABSTINENCE EDUCATION.—For purposes of this subsection, the term ‘abstinence education’ shall mean an educational or motivational program which—

“(A) has as its exclusive purpose, teaching the social, psychological, and health gains to be realized by abstaining from sexual activity;

“(B) teaches abstinence from sexual activity outside marriage as the expected standard for all school age children;

“(C) teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems;

“(D) teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

“(E) teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

“(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society;

“(G) teaches young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

“(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.

AMENDMENT NO. 2609

(Purpose: To prohibit teenage parents from living in the home of an adult relative or guardian who has a history of receiving assistance)

On page 50, line 13, insert “except as provided in paragraph (3),” after “(A)”.

On page 51, between lines 11 and 12, insert the following:

“(3) REQUIREMENT THAT ADULT RELATIVE OR GUARDIAN NOT HAVE A HISTORY OF ASSISTANCE.—A State shall not use any part of the grant paid under section 403 to provide assistance to an individual described in paragraph (2) if such individual resides with a parent, guardian, or other adult relative who—

(A) has had a child out-of-wedlock; and

(B) during the preceding 2-year period, received assistance as an adult under a State

program funded under this part or under the program for aid to families with dependent children.

Mr. SANTORUM. I ask unanimous consent that the amendments just offered be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 2610 AND 2611, EN BLOC, TO AMENDMENT NO. 2280

Mr. MOYNIHAN. Mr. President, I send two amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes amendments numbered 2610 and 2611.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2610

(Purpose: To amend title 13, United States Code, to require that any data relating to the incidence of poverty produced or published by the Secretary of Commerce for subnational areas is corrected for differences in the cost of living in those areas)

On page 122, between lines 11 and 12, insert the following:

**SEC. 110A. POVERTY DATA CORRECTION.**

(a) IN GENERAL.—Chapter 5 of title 13, United States Code, is amended by adding after subchapter V the following:

**“Subchapter VI—Poverty Data**

**“SEC. 197. CORRECTION OF SUBNATIONAL DATA RELATING TO POVERTY.**

“(a) Any data relating to the incidence of poverty produced or published by or for the Secretary for subnational areas shall be corrected for differences in the cost of living, and data produced for State and sub-State areas shall be corrected for differences in the cost of living for at least all States of the United States.

“(b) Data under this section shall be published in 1997 and at least every second year thereafter.

**“SEC. 198. DEVELOPMENT OF STATE COST-OF-LIVING INDEX AND STATE POVERTY THRESHOLDS.**

“(a) To correct any data relating to the incidence of poverty for differences in the cost of living, the Secretary shall—

“(1) develop or cause to be developed a State cost-of-living index which ranks and assigns an index value to each State using data on wage, housing, and other costs relevant to the cost of living; and

“(2) multiply the Federal Government's statistical poverty thresholds by the index value for each State's cost of living to produce State poverty thresholds for each State.

“(b) The State cost-of-living index and resulting State poverty thresholds shall be published prior to September 30, 1996, for calendar year 1995 and shall be updated annually for each subsequent calendar year.”

(b) CONFORMING AMENDMENT.—The table of subchapters of chapter 5 of the title 13, United States Code, is amended by adding at the end the following:

**“SUBCHAPTER VI—POVERTY DATA**

**“Sec. 197. Correction of subnational data relating to poverty.**

**“Sec. 198. Development of State cost-of-living index and State poverty thresholds.”.**

AMENDMENT NO. 2611

(Purpose: To correct imbalances in certain States in the Federal tax to Federal benefit ratio by reallocating the distribution of Federal spending, and for other purposes)

At the appropriate place, insert:

**TITLE —STATE MINIMUM RETURN OF FEDERAL TAX BURDEN**

**SEC. 01. SHORT TITLE.**

This title may be cited as the “State Minimum Return Act of 1995”.

**SEC. 02. STATEMENT OF POLICY.**

It is the purpose of this title to provide, within existing budgetary limits, authority to reallocate the distribution of certain Federal spending to various States in order to ensure by the end of fiscal year 2000 that each State receive in each fiscal year a percentage of total allocable Federal expenditures equal to a minimum of 90 percent of the percentage of total Federal tax burden attributable to such State for such fiscal year.

**SEC. 03. DEFINITIONS.**

As used in this title—

(1) The term “Director” means the Director of the Office of Management and Budget.

(2) The term “Federal agency” means any agency defined in section 551(1) of title 5, United States Code.

(3) The term “State” means each of the several States and the District of Columbia.

(4) The term “historic share” means the average percentage share of Federal expenditures received by any State during the most recent three fiscal years.

(5) The term “Federal expenditures” means all outlays by the Federal Government as defined in section 3(1) of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 622(1)) which the Bureau of the Census can allocate to the several States.

(6) The term “Federal tax revenues” means all revenues collected pursuant to the Internal Revenue Code of 1986.

(7) The term “need-based program” means any program which results in direct payment to individuals and which involves an income test to help determine the eligibility of an individual for assistance under such program.

**SEC. 04. DESIGNATION OF ELIGIBLE STATES.**

(a) Any State shall be eligible for a positive reallocation of allocable Federal expenditures described in section 05 and received by such State under section 07(a), if such State, for any fiscal year, has an allocable Federal expenditure to Federal tax ratio which is less than 90 percent.

(b) Any State shall be eligible for a positive reallocation of Federal expenditures described in section 05 and received by such State under paragraph (1) of section 07(a), if such State, for any fiscal year, has an allocable Federal expenditure to Federal tax ratio which is less than 100 percent but greater than or equal to 90 percent.

(c) During each fiscal year, the Director, after consultation with the Secretary of the Treasury and the Director of the Census Bureau, shall determine the eligibility of any State under this section using the most recent fiscal year data and estimated data available concerning Federal tax revenues and allocable Federal expenditures attributable to such State. The Secretary of the Treasury shall determine the attribution of Federal tax revenues to each State after consultation with the Comptroller General of the United States and other interested public and private persons.

(d) For purposes of determining the eligibility of any State under subsection (c), any water or power program in which the Federal Government, through Government corpora-

tions, provides water or power to any State at less than market price shall be taken into account in computing such State's allocable Federal expenditure to Federal tax ratio by characterizing as an imputed Federal expenditure the difference between the market price as determined by the Secretary of the Treasury in consultation with the Director and the Secretary of Energy and the Secretary of the Interior and the program's actual price of providing such water or power to such State.

**SEC. 05. DESIGNATION OF REALLOCABLE FEDERAL EXPENDITURES.**

All allocable Federal expenditures in any fiscal year shall be subject to reallocation to ensure the objective described in section 02 with respect to eligible States designated under section 04, except for such expenditures with respect to the following:

(1) Water and power programs which are described in section 04(d).

(2) Compensation and allowances of officers and employees of the Federal Government.

(3) Maintenance of Federal Government buildings and installations.

(4) Offsetting receipts.

(5) Programs for which the Federal Government assumes the total cost and in which a direct payment is made to a recipient other than a governmental unit. Such programs include, but are not limited to:

(A) Social Security, including disability, retirement, survivors insurance, unemployment compensation, and Medicare, including hospital and supplementary medical insurance;

(B) Supplemental Security Income;

(C) Food Stamps;

(D) Black Lung Disability;

(E) National Guaranteed Student Loan interest subsidies;

(F) Pell grants;

(G) lower income housing assistance;

(H) social insurance payments for railroad workers;

(I) railroad retirement;

(J) excess earned income tax credits;

(K) veterans assistance, including pensions, service connected disability, non-service connected disability, educational assistance, dependency payments, and pensions for spouses and surviving dependents;

(L) Federal workers' compensation;

(M) Federal retirement and disability;

(N) Federal employee life and health insurance; and

(O) farm income support programs.

**SEC. 06. REALLOCATION AUTHORITY.**

(a) Notwithstanding any other provision of law, during any fiscal year the head of each Federal agency shall, after consultation with the Director, make such reallocations of allocable expenditures described in section 05 to eligible States designated under section 04 as are necessary to ensure the objective described in section 02.

(b) Notwithstanding any other provisions of law and to the extent necessary in the administration of this title, the head of each Federal agency shall waive any administrative provision with respect to allocation, allotments, reservations, priorities, or planning and application requirements (other than audit requirements) for the expenditures reallocated under this title.

(c) The head of each Federal agency having responsibilities under this title is authorized and directed to cooperate with the Director in the administration of the provisions of this title.

**SEC. 07. REALLOCATION MECHANISMS.**

(a) Notwithstanding any other provision of law, for purposes of this title, during any fiscal year reallocations of expenditures required by section 06 shall be accomplished in the following manner:

(1)(A) With respect to procurement contracts, and subcontracts in excess of \$25,000, the head of each Federal agency shall—

(i) identify qualified firms in eligible States designated under section 04 and disseminate any information to such firms necessary to increase participation by such firms in the bidding for such contracts and subcontracts,

(ii) in order to ensure the objective described in section 02, increase the national share of such contracts and subcontracts for each eligible State designated under section 04(a) by up to 10 percent each fiscal year, and

(iii) thirty days after the end of each fiscal year, report to the Director regarding progress made during such fiscal year to increase the share of such contracts and subcontracts for such eligible States, including the percentage increase achieved under clause (i) and if the goal described in clause (ii) is not attained, the reasons therefor.

Within ninety days after the end of each fiscal year, the Director shall review, evaluate, and report to the Congress as to the progress made during such fiscal year to increase the share of procurement contracts and subcontracts the preponderance of the value of which has been performed in such eligible States.

(B) With respect to each fiscal year, if any Federal agency does not attain the goal described in subparagraph (A)(ii), then, during the subsequent fiscal year, such agency shall report to the Director prior to the awarding of any contract or subcontract described in subparagraph (A) to any firm in an ineligible State the reasons such contract or subcontract was not awarded to any firm in an eligible State.

(C) In the case of any competitive procurement contract or subcontract, the head of the contracting Federal agency shall award such contract or subcontract to the lowest bid from a qualified firm that will perform the preponderance of the value of the work in an eligible State designated under section 04 if the bid for such contract or subcontract is lower or equivalent to any bid from any qualified firm that will perform the preponderance of the value of the work in an ineligible State.

(D) In the case of any noncompetitive procurement contract or subcontract, the head of each Federal agency shall identify and award such contract or subcontract to a qualified firm that will perform the preponderance of the value of the work in an eligible State designated under section 04 and that complete such contract or subcontract at a lower or equivalent price as any qualified firm that will perform the preponderance of the value of the work in an ineligible State.

(E) For purposes of this paragraph, in the case of any procurement contract or subcontract, any firm shall be qualified if—

(i) such firm has met the elements of responsibility provided for in section 8(b)(7) of the Small Business Act (15 U.S.C. 637(b)(7)) as determined by the head of the contracting Federal agency to be necessary to complete the contract or subcontract in a timely and satisfactory manner, and

(ii) with respect to any prequalification requirement, such firm has been notified in writing of all standards which a prospective contractor must satisfy in order to become qualified, and upon request, is provided a prompt opportunity to demonstrate the ability of such firm to meet such specified standards.

(F) In order to reallocate expenditures with respect to subcontracts as required by subparagraph (A), each Federal agency shall collect necessary data to identify such subcontracts beginning in fiscal year 1991.

(a) With respect to all other expenditures described in section 05, including all grants administered by the Department of Transportation, the Department of the Interior, the Department of Agriculture, the Environmental Protection Agency, and the United States Army Corps of Engineers, any eligible State designated under section 04(a) shall receive 110 percent of such State's historic share with respect to such expenditures.

(b) No reallocation shall be made under this section with respect to allocable expenditures for any program to any State in any fiscal year which results in a reduction of 10 percent or more of the amount of such expenditures to such State.

(c) No reallocation shall be made under the provisions of this title which will result in any allocable Federal expenditure to Federal tax ratio of any State being reduced below 90 percent.

#### SEC. 08. AMENDMENTS.

No provision of law shall explicitly or implicitly amend the provisions of this title unless such provision specifically refers to this title.

#### SEC. 09. STUDY.

(a) The Secretary of the Treasury or a delegate of the Secretary shall conduct a study on the impact of Federal spending, tax policy, and fiscal policy on State economies and the economic growth rate of States and regions of the United States. In particular, the Secretary or his delegate shall examine the extent to which the economies of States which have allocable Federal expenditure to Federal tax ratios below 100 are harmed by such a fiscal relationship with the Federal Government.

(b) The report of the study required by subsection (a) shall be submitted to Congress not later than December 31, 1996.

#### SEC. 10. EFFECTIVE DATE.

The provisions of this title shall take effect for fiscal years beginning after the date of the enactment of this title.

Mr. MOYNIHAN. I ask unanimous consent that the amendments be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, as the Senate today winds to a close, we will have perhaps a few more amendments by the 5 o'clock deadline. My colleague and friend from Pennsylvania observes that there were about 120 when we last counted, which does not auger well for the conclusion of our business by Wednesday evening. But it does speak to the extraordinary transformation in the debate over welfare policy in the United States.

I spoke earlier this week of the moment of February 8, 1971, when Time and Newsweek and U.S. News and World Report had as their cover stories the subject of welfare and the seeming intractable problem—that at a time when the illegitimacy ratio in our country was one-third what it is today.

The number of children born outside of marriage was one-third of what it is today. In 1992, it was 1.2 million. The ratio would be about 30 percent. It is about 33 percent today. That is the basic social condition that leads to this baffling problem.

We are not alone, and it is important to know that. Just by happenstance, Mr. President, this week's issue of The Economist, a British "newspaper," as they call it, has as its cover story, "The Disappearing Family." They have a chart on page 26 called "Fewer Gold Rings: Births to Unmarried Mothers as a Percentage of the Total." I find myself cited as the source. Indeed our office did do this work.

Characteristically, the administration did nothing. Characteristically, the Department of Health and Human Services does nothing. Characteristically, they are absent from this debate. At times, there has been no one in the Vice President's office, as there is on any major issue affecting legislation. They are vanishing, defeated by the commitment to end welfare as they know it, and horrified at the prospect of what that will mean as they see it happen.

The Economist has its "lead article," as they say, on the subject, and then they have a long story. It begins:

To European ears, America's family values debate can sound shrill, even surreal. It is taken as a sign that the citizens of the new world remain considerably less sophisticated and more moralistic than those of the old. But Europe would do well to listen. In many American neighborhoods, the family has collapsed. Among households with children and poor inner cities, fewer than one in ten have a father in residence. If there are lessons from this awful experience, they are worth learning.

They go on to say that many of the same phenomenon are appearing in Britain. They differentiate between different parts of Europe that are adjacent but are very different in their approaches. Sweden is a country of individuals, and has a very high rate of birth outside of marriage, but they are not births outside of households. All their family structure, their social policy, is built around the individual. Germany, which is just across the Baltic, is a nation built around families. And all of their social policy is designed in that direction, and the consequences are easy to see. Our policies are hard to find.

Years ago, we observed that there is no way a nation can avoid a family policy.

It can only avoid acknowledging what the family policy is—or being aware. Whatever you do, one way or another, will have consequences.

I rise in the remaining few moments of today's session to thank my colleagues on the Democratic side, the minority side, for their support in the bill I offered this morning, the Family Support Act of 1995.

Mr. President, 41 Democrats voted for it; five did not. They have their reasons. They are understood and respected. Fifty-six altogether, 51 Members of the other side voted "no." Several mentioned to me that one Senator on that side volunteered that it was the worst vote he ever cast, but that is understandable.

The point I tried to make is that this legislation, the Family Support Act of 1988, passed the Senate 93-3 in its first form and then the conference report 96-1.

We had consensus and we lost it. I have to think we began to lose it when President Clinton, campaigning for the Presidency, said he would end welfare as we know it, asked for a 2-year time limit, and no further details.

Legislation finally came forward in the 103d Congress, but very late, with no expectation that it would be dealt with. I was chairman of the Finance Committee and was happy to do it but nobody wanted it. It was left for this. A curious—how to say—silence from organizations. You would have expected to hear something from the U.S. Conference of Mayors, which I have worked with for 35 years in one form or another, helping them get revenue sharing going directly to municipalities, and things like that. Silent on our bill. The welfare reform advocates, children's advocates, silent on our bill. Democratic Governors, silent.

Well, the fact is, there has been an extraordinary change in expectations of what Congress will do and a passivity which perhaps accounts for events, a complacency, the assumption that a Democratic administration confirmed in these matters.

Well, we see the results. I will put on the RECORD that the absence of any support for the legislation which we put forward in the Finance Committee last spring—the vote was 12-8, eight Democrats—has to be taken as an unprecedented surrender and unprecedented abandonment of principle.

I say to the U.S. Conference of Mayors, they have abandoned every principle they have stood for in 35 years I have worked with them. The Governors are split on partisanship.

The advocacy groups—what advocacy groups? Maybe their anxiety is that, if they say anything, their funding will be cut off. Well, then, we know where their priorities are.

Mr. President, I can only regret that silence, even as I express my appreciation for the Senators who did support us today. The time will come when they will be proud of that vote. I yield the floor.

AMENDMENT NO. 2476 TO AMENDMENT NO. 2280

(Purpose: Sense of the Senate regarding Enterprise Zone legislation)

Mr. SANTORUM. Mr. President, I ask amendment 2476 offered by the Senator from Michigan be called up and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] for Mr. ABRAHAM (for himself an Mr. LIEBERMAN) proposes an amendment numbered 2476 to amendment No. 2280.

Mr. SANTORUM. I ask unanimous consent that reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following new section:

**"SEC. . SENSE OF THE SENATE REGARDING ENTERPRISE ZONES.**

(a) FINDINGS.—The Senate finds that—

(1) Many of the Nation's urban centers are places with high levels of poverty, high rates of welfare dependency, high crime rates, poor schools, and joblessness;

(2) Federal tax incentives and regulatory reforms can encourage economic growth, job creation and small business formation in many urban centers;

(3) Encouraging private sector investment in America's economically distressed urban and rural areas is essential to breaking the cycle of poverty and the related ills of crime, drug abuse, illiteracy, welfare dependency, and unemployment;

(4) The empowerment zones enacted in 1993 should be enhanced by providing incentives to increase entrepreneurial growth, capital formation, job creation, educational opportunities and home ownership in the designated communities and zones;

(b) SENSE OF THE SENATE.—Therefore, it is the Sense of the Senate that the Congress should adopt enterprise zone legislation in the 104th Congress, and that such enterprise zone legislation provide the following incentives and provisions:

(1) Federal tax incentives that expand access to capital, increase the formation and expansion of small businesses, and promote commercial revitalization;

(2) Regulatory reforms that allow localities to petition Federal agencies, subject to the relevant agencies' approval, for waivers or modifications of regulations to improve job creation, small business formation and expansion, community development, or economic revitalization objectives of the enterprise zones;

(3) Home ownership incentives and grants to encourage resident management of public housing and home ownership of public housing;

(4) School reform pilot projects in certain designated enterprise zones to provide low-income parents with new and expanded educational options for their children's elementary and secondary schooling.

Mr. SANTORUM. I ask unanimous consent that that amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 2612 THROUGH 2617, EN BLOC TO AMENDMENT NO. 2280

Mr. SANTORUM. Mr. President, I send to the desk six amendments offered on behalf of the Senator from Texas [Mr. GRAMM] and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] for Mr. GRAMM proposes amendments numbered 2612 through 2617, en bloc, to amendment No. 2280.

Mr. SANTORUM. Mr. President, I ask unanimous consent the reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2612

(Purpose: To limit the State option for work participation requirement exemptions to the first 12 months to which the requirement applies)

On page 34, line 20, strike "For any fiscal year" and insert "Solely for the first 12-month period to which the requirements to engage in work under this section is in effect".

AMENDMENT NO. 2613

(Purpose: To require that certain individuals who are not required to work are included, in the participation rate calculation)

On page 34, beginning on line 24, strike "and may exclude" and all that follows through page 35, line 2, and insert a period.

AMENDMENT NO. 2614

(Purpose: To provide for increased penalties for failure to work requirements)

On page 53, strike lines 1 through 8, and insert the following:

"(A) IN GENERAL.—If the Secretary determines that a State has failed to satisfy the minimum participation rates specified in section 404(a) for a fiscal year, the Secretary shall reduce the amount of the grant that would (in the absence of this section) be payable to the State under section 403 for the immediately succeeding fiscal year by—

"(i) in the first year in which the State fails to satisfy such rates, 5 percent; and

"(ii) in subsequent years in which the State fails to satisfy such rates, the percent reduction determined under this subparagraph (if any) in the preceding year, increased 5 percent.

AMENDMENT NO. 2615

(Purpose: To reduce the Federal welfare bureaucracy)

On page 792, strike lines 1 through 22 and insert the following:

**SEC. 1202. REDUCTIONS IN FEDERAL BUREAUCRACY.**

(a) IN GENERAL.—The Secretary of Health and Human Services and the Secretary of Labor shall reduce the Federal workforce within the Department of Health and Human Services and the Department of Labor, respectively, by an amount equal to the sum of—

(1) 75 percent of the full-time equivalent positions at each such Department that relate to any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under this Act and the amendments made by this Act; and

(2) an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at each such Department that bears the same relationship to the amount appropriated for the programs referred to in paragraph (1) as such amount relates to the total amount appropriated for use by each such Department.

(b) REDUCTIONS IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Notwithstanding any other provision of this Act, the Secretary of Health and Human Services shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Health and Human Services—

(1) by 245 full-time equivalent positions related to the program converted into a block

grant under the amendment made by section 101(b); and

(2) by 60 full-time equivalent managerial positions in the Department.

(c) REDUCTIONS IN THE DEPARTMENT OF LABOR.—Notwithstanding any other provision of this Act, the Secretary of Labor shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Labor—

(1) by 675 full-time equivalent positions related to the programs converted into a block grant under titles VII and VIII; and

(2) by 156 full-time equivalent managerial positions in the Department.

AMENDMENT NO. 2616

(Purpose: To require paternity establishment as a condition of benefit receipt)

On page 42, between lines 21 and 22, insert the following:

“(f) PROVISIONS RELATING TO PATERNITY ESTABLISHMENT.—

“(1) PATERNITY NOT ESTABLISHED.—If a State provides cash benefits to families from grant funds received by the State under section 403, the State shall provide that if a family applying for such benefits includes a child who has not attained age 18 and who was born on or after January 1, 1996, with respect to whom paternity has not been established, such benefits shall not be available for—

“(A) such child (until the child attains age 18); and

“(B) the parent or caretaker relative of such child if the parent or caretaker relative of such child is not the parent or caretaker relative of another child for whom benefits are available.

“(2) EXCEPTIONS.—Notwithstanding paragraph (1)—

“(A) the State may use grant funds received by the State under section 403 to provide cash benefits to a minor child who is up to 6 months of age for whom paternity has not been established if the parent or caretaker relative of the child provides the name, address, and such other identifying information as the State may require of an individual who may be the father of the child; and

“(B) the State may exempt up to 25 percent of all families in the population described in paragraph (1) applying for cash benefits from grant funds received by the State under section 403 which include a child who was born on or after January 1, 1996, and with respect to whom paternity has not been established, from the reduction imposed under paragraph (1).

AMENDMENT NO. 2617

(Purpose: To prohibit the use of Federal funds for legal challenges to welfare reform)

At the appropriate place, insert the following:

**SEC. RESTRICTIONS ON TAXPAYER FINANCED LEGAL CHALLENGES.**

(a) IN GENERAL.—No legal aid organization or other entity that provides legal services and which receives Federal funds or IOLTA funds may challenge (or act as an attorney on behalf of any party who seeks to challenge) in any legal proceeding—

(1) the legal validity—

(A) under the United States Constitution—

(i) of this Act or any regulations promulgated under this Act; and

(ii) of any law or regulation enacted or promulgated by a State pursuant to this Act;

(B) under this Act or any regulation adopted under this Act of any State law or regulation; and

(C) under any State Constitution of any law or regulation enacted or promulgated by a State pursuant to this Act; and

(2) the conflict—

(A) of this Act or any regulations promulgated under this Act with any other law or regulation of the United States; and

(B) of any law or regulation enacted or promulgated by a State pursuant to this Act with any law or regulation of the United States.

(f) IOLTA FUNDS DEFINED.—For purposes of this section, the term “IOLTA funds” means interest on lawyers trust account funds that—

(1) are generated when attorneys are required by State court or State bar rules to deposit otherwise noninterest-bearing client funds into an interest-bearing account while awaiting the outcome of a legal proceeding; and

(2) are pooled and distributed by a subdivision of a State bar association or the State court system to organizations selected by the State courts administration.

(c) LEGAL PROCEEDING DEFINED.—For purposes of this section, the term “legal proceeding” includes—

(1) a proceeding—

(A) in a court of the United States;

(B) in a court of a State; and

(C) in an administrative hearing in a Federal or State agency; and

(2) any activities related to the commencement of a proceeding described in subparagraph (A).

Mr. SANTORUM. I ask unanimous consent that the amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, a parliamentary inquiry. The clock seems to be approaching 5 o'clock and I have what is approximately 8 minutes' worth of sending amendments to the desk. I ask unanimous consent that we extend our time to 5:05.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I rise to acknowledge what would be, not the first time, an error. I said recently just a moment ago that the Department of Health and Human Services has been silent on the subject of this atrocious legislation.

I am wrong, sir. I have just been handed an amendment which asks us to see that no position, no full-time position in the Department of Health and Human Services be eliminated.

So we will look after—I am beginning to believe what I hear about the bureaucracy.

AMENDMENTS NOS. 2618 THROUGH 2672 TO

AMENDMENT NO. 2280

Mr. MOYNIHAN. I send to the desk this amendment with a group of other amendments and ask for their immediate consideration. I am told no one else would introduce the amendment and it falls to me to do so. I do so with a certain reluctance.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], proposes amendments numbered 2618 through 2672 to amendment No. 2280.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2618

(Purpose: Eliminate requirement that HHS reduce full-time equivalent positions by specific percentages and retain requirements to evaluate the number of FTB positions required to carry out the activities under the bill and to take action to reduce the appropriate number of positions)

On page , strike title XII and insert the following new title:

“TITLE XII—REDUCTIONS IN FEDERAL GOVERNMENT POSITIONS

“SEC. 1201. REDUCTIONS.

“(a) DEFINITIONS.—As used in this section:

“(1) APPROPRIATE EFFECTIVE DATE.—The term ‘appropriate effective date’, used with respect to a Department referred to in this section, means the date on which all provisions of this Act that the Department is required to carry out, and amendments and repeals made by this Act to provisions of Federal law that the Department is required to carry out, are effective.

“(2) COVERED ACTIVITY.—The term ‘covered activity’, used with respect to a Department referred to in this section, means an activity that the Department is required to carry out under—

“(A) a provision of this Act; or

“(B) a provision of Federal law that is amended or repealed by this Act.

“(b) REPORTS.—

“(1) CONTENTS.—Not later than December 31, 1995, each Secretary referred to in paragraph (2) shall prepare and submit to the relevant committees described in paragraph (3) a report containing—

“(A) the determinations described in subsection (c);

“(B) appropriate documentation in support of such determinations; and

“(C) a description of the methodology used in making such determinations.

“(2) SECRETARY.—The Secretaries referred to in this paragraph are—

“(A) the Secretary of Agriculture;

“(B) the Secretary of Education;

“(C) the Secretary of Labor;

“(D) the Secretary of Housing and Urban Development; and

“(E) the Secretary of Health and Human Services.

“(3) RELEVANT COMMITTEES.—The relevant Committees described in this paragraph are the following:

“(A) With respect to each Secretary described in paragraph (2), the Committee on Government Reform and Oversight of the House of Representatives and the Committee on Governmental Affairs of the Senate.

“(B) With respect to the Secretary of Agriculture, the Committee on Agriculture and the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

“(C) With respect to the Secretary of Education, the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

“(D) With respect to the Secretary of Labor, the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

“(E) With respect to the Secretary of Housing and Urban Development, the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

“(F) With respect to the Secretary of Health and Human Services, the Committee

on Economic and Educational Opportunities of the House of Representatives, the Committee on Labor and Human Resources of the Senate, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate.

“(4) REPORT ON CHANGES.—Not later than December 31, 1996, and each December 31 thereafter, each Secretary referred to in paragraph (2) shall prepare and submit to the relevant Committees described in paragraph (3), a report concerning any changes with respect to the determinations made under subsection (c) for the year in which the report is being submitted.

“(c) DETERMINATIONS.—Not later than December 31, 1995, each Secretary referred to in subsection (b)(2) shall determine—

“(1) the number of full-time equivalent positions required by the Department (or the Federal Partnership established under section 771) headed by such Secretary to carry out the covered activities of the Department (or Federal Partnership), as of the day before the date of enactment of this Act;

“(2) the number of such positions required by the Department (or Federal Partnership) to carry out the activities, as of the appropriate effective date for the Department (or Federal Partnership); and

“(3) the difference obtained by subtracting the number referred to in paragraph (2) from the number referred to in paragraph (1).

“(d) ACTIONS.—Not later than 30 days after the appropriate effective date for the Department involved, each Secretary referred to in subsection (b)(2) shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the number of positions of personnel of the Department by at least the difference referred to in subsection (c)(3).

“(e) CONSISTENCY.—

“(1) EDUCATION.—The Secretary of Education shall carry out this section in a manner that enables the Secretary to meet the requirements of this section and section 776(i)(2).

“(2) LABOR.—The Secretary of Labor shall carry out this section in a manner that enables the Secretary to meet the requirements of this section and section 776(i)(2).

“(f) CALCULATION.—In determining, under subsection (c), the number of full-time equivalent positions required by a Department to carry out a covered activity, a Secretary referred to in subsection (b)(2), shall include the number of such positions occupied by personnel carrying out program functions or other functions (including budgetary, legislative, administrative, planning, evaluation, and legal functions) related to the activity.

“(g) GENERAL ACCOUNTING OFFICE REPORT.—Not later than July 1, 1996, the Comptroller General of the United States shall prepare and submit to the committees described in subsection (b)(3), a report concerning the determinations made by each Secretary under subsection (c). Such report shall contain an analysis of the determinations made by each Secretary under subsection (c) and a determination as to whether further reductions in full-time equivalent positions are appropriate.”

AMENDMENT NO. 2619

(Purpose: To terminate sponsor responsibilities upon the date of naturalization of the immigrant)

On page 289, line 5, strike the period and insert “, but in no event shall such period extend beyond the date (if any) on which the alien becomes a citizen of the United States under chapter 2 of title III of the Immigration and Nationality Act.”

AMENDMENT NO. 2620

(Purpose: To grant the Attorney General flexibility in certain public assistance determinations for immigrants)

On page 292, strike line 5 through line 11 and insert the following:

Nutrition Act of 1966;

(E) public health assistance for immunizations with respect to immunizable diseases and for testing and treatment for communicable diseases if the Secretary of Health and Human Services determines that such testing and treatment is necessary; and

(F) benefits or services which serve a compelling humanitarian or compelling public interest as specified by the Attorney General in consultation with appropriate Federal agencies and departments.

AMENDMENT NO. 2621

(Purpose: To ensure that programs are implemented consistent with the First Amendment to the U.S. Constitution)

On pages 77 through 83, strike sec. 102 and sec. 103.

AMENDMENT NO. 2622

(The text of the amendment (No. 2622) is printed in today's RECORD under “Amendments Submitted.”)

AMENDMENT NO. 2623

(Purpose: To permit State to apply for waivers with respect to the 15 percent cap on hardship exemptions from the 5-year time limitation)

On page 40, between lines 16 and 17, insert the following new subparagraph:

“(C) WAIVER OF LIMITATION.—The Secretary, upon a demonstration by a State that an extraordinary number of families require an exemption from the application of paragraph (1) due to disability, domestic violence, homelessness, or the need to be in the home to care for a disabled child, may permit the State to provide exemptions in excess of the 15 percent limitation described in subparagraph (B) for a specified period of time.”

AMENDMENT NO. 2624

(Purpose: To permit States to provide non-cash assistance to children ineligible for aid because of the 5-year time limitation)

On page 40, between lines 16 and 17, insert the following new paragraph:

“(4) NON-CASH ASSISTANCE FOR CHILDREN.—Nothing in paragraph (1) shall be construed as prohibiting a State from using funds provided under section 403 to provide aid, in the form of in-kind assistance, vouchers usable for particular goods or services as specified by the State, or vendor payments to individuals providing such goods or services, to the minor children of a needy family.”

AMENDMENT NO. 2625

(Purpose: To require States to have in effect laws regarding duration of child support)

On page 641, between lines 11 and 12, insert the following:

**SEC. 426. DURATION OF SUPPORT.**

Section 466(a) (42 U.S.C. 666(a)), as amended by this Act, is amended—

(1) by inserting after paragraph (16) the following new paragraph:

“(17) Procedures under which the State—  
“(A) requires a continuing support obligation by the noncustodial parent until at least the later of the date on which a child for whom a support obligation is owed reaches the age of 18, or graduates from or is no longer enrolled in secondary school or its equivalent, unless a child marries, joins the United States armed forces, or is otherwise emancipated under State law;

“(B)(i) provides that courts or administrative agencies with child support jurisdiction

have the discretionary power, until the date on which the child involved reaches the age of 22, pursuant to criteria established by the State, to order child support, payable directly or indirectly (support may be paid directly to a post-secondary or vocational school or college) to a child, at least up to the age of 22 for a child enrolled full-time in an accredited postsecondary or vocational school or college and who is a student in good standing; and

“(ii) may, without application of the rebuttable presumption in section 467(b)(2), award support under this subsection in amounts that, in whole or in part, reflect the actual costs of post secondary education; and

“(C) provides for child support to continue beyond the child's age of majority provided the child is disabled, unable to be self-supportive, and the disability arose during the child's minority.”; and

(2) by adding at the end the following new sentence: “Nothing in paragraph (17) shall preclude a State from imposing more extensive child support obligations or obligations of longer duration.”

AMENDMENT NO. 2626

(Purpose: To eliminate a repeal relating to the Trade Act of 1974)

Section 781(b) is amended to read as follows:

(b) SUBSEQUENT REPEALS.—The following provisions are repealed:

(1) The Adult Education Act (20 U.S.C. 1201 et seq.).

(2) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(3) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(4) The Wagner-Peyser Act (29 U.S.C. 49 et seq.).

(5) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(6) Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

(7) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), other than subtitle C of such title.

AMENDMENT NO. 2627

(Purpose: To improve provisions relating to the Trade Act of 1974)

In title VIII, add at the end the following: Subtitle D—Amendment to Trade Act of 1974

**SEC. 841. TRAINING AND OTHER EMPLOYMENT SERVICES FOR TRADE-IMPACTED WORKERS.**

Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended to read as follows:

“(e) Any agreement entered into under this section shall provide that the services made available to adversely affected workers under sections 235 and 236 shall be provided through the statewide workforce development system established by the State under subtitle B of the Workforce Development Act of 1995 to provide such services to other displaced workers.”

AMENDMENT NO. 2628

(The text of the amendment (No. 2628) is printed in today's RECORD under “Amendments Submitted.”)

AMENDMENT NO. 2629 CALENDAR NO.—

(Purpose: To improve provisions relating to the unemployment trust fund)

Beginning on page 419, strike line 17 and all that follows through page 424, line 4, and insert the following:

**SEC. 733. UNEMPLOYMENT TRUST FUND.**

(A) IN GENERAL.—Section 901(c) of the Social Security Act (42 U.S.C. 1101(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)(iii), by striking "carrying into effect section 4103" and inserting "carrying out the activities described in sections 4103, 4103A, 4104, and 4104A"; and

(B) in subparagraph (B), in the matter preceding clause (i), by striking "Department of Labor" and inserting "Department of Labor or the Workforce Development Partnership, as appropriate,"; and

(2) in the first sentence of paragraph (4), by striking "the Department of Labor" and inserting "the Workforce Development Partnership".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect July 1, 1998.

## AMENDMENT NO. 2630

(Purpose: To clarify that the responsibilities of the National Board are advisory)

Section 772(a)(4)(A) is amended to read as follows:

(A) IN GENERAL.—Notwithstanding any other provision of this Act or any amendment made by this Act, any provision of this Act or any amendment made by this Act that would otherwise grant the National Board the authority to carry out a function (as defined in section 776) shall be construed to give the National Board the authority only to provide advice to the Secretary of Labor and the Secretary of Education with respect to the function, and not the authority to carry out the function. The provision shall be deemed to grant the Secretary of Labor and the Secretary of Education, acting jointly, the authority to carry out the function.

## AMENDMENT NO. 2631

(The text of the amendment (No. 2631) is printed in today's RECORD under "Amendments Submitted.")

## AMENDMENT NO. 2632

(Purpose: To exclude employment and training programs under the Food Stamp Act of 1977 from the list of activities that may be provided as workforce employment activities)

On page 359, strike lines 11 through 16 and insert the following:

viduals to participate in the statewide system; and

(N) followup services for participants who are placed in unsubsidized employment.

## AMENDMENT NO. 2633

(Purpose: To provide for the State distribution of funds for secondary school vocational education, postsecondary and adult vocational education, and adult education)

In section 721(b), strike paragraph (4) and insert the following:

(4) STATE DETERMINATIONS.—From the amount available to a State educational agency under paragraph (2)(B) for a fiscal year, such agency shall distribute such amount for workforce education activities in such State as follows:

(A) 75 percent of such amount shall be distributed for secondary school vocational education in accordance with section 722, or for postsecondary and adult vocational education in accordance with section 723, or for both; and

(B) 25 percent of such amount shall be distributed for adult education in accordance with section 724.

## AMENDMENT NO. 2634

(Purpose: To establish a job placement performance bonus that provides an incentive for States to successfully place individuals in unsubsidized jobs, and for other purposes)

On page 17, line 8, insert "and for each of fiscal years 1998, 1999, and 2000, the amount

of the State's job placement performance bonus determined under subsection (f)(1) for fiscal year" after "year".

On page 17, line 22, insert "and the applicable amount specified under subsection (f)(2)(B) for such fiscal year" after "(B)".

On page 29, between lines 15 and 16, insert: "(f) JOB PLACEMENT PERFORMANCE BONUS.—

"(1) IN GENERAL.—The job placement performance bonus determined with respect to a State and a fiscal year is an amount equal to the amount of the State's allocation of the job placement performance fund determined in accordance with the formula developed under paragraph (2).

"(2) ALLOCATION FORMULA; BONUS FUND.—

"(i) IN GENERAL.—Not later than September 30, 1996, the Secretary of Health and Human Services shall develop and publish in the Federal Register a formula for allocating amounts in the job placement performance bonus fund to States based on the number of families that received assistance under a State program funded under this part in the preceding fiscal year that became ineligible for assistance under the State program, or the number of families with a reduction in the amount of such assistance, as a result of unsubsidized employment during such year.

"(ii) FACTORS TO CONSIDER.—In developing the allocation formula under clause (i), the Secretary shall—

"(I) provide a greater financial bonus for individuals in families described in clause (i) who remain employed for greater periods of time or are at greater risk of long-term welfare dependency;

"(II) take into account the unemployment conditions of each State or geographic area; and

"(III) take into account the number of families in each State that received assistance under a State program funded under this part in the preceding fiscal year that became ineligible for assistance under the State program, or the number of families with a reduction in the amount of such assistance, as a result of unsubsidized employment during such year, including fiscal years prior to 1997.

"(B) JOB PLACEMENT PERFORMANCE BONUS FUND.—

"(1) IN GENERAL.—For purposes of establishing a job placement performance bonus fund and making disbursements from such fund in accordance with subparagraph (A), with respect to a fiscal year there are authorized to be appropriated and there are appropriated an amount equal to the sum of—

"(I)(aa) for fiscal year 1998, \$70,000,000;

"(bb) for fiscal year 1999, \$140,000,000;

"(cc) for fiscal year 2000, \$210,000,000; and

"(II) the amount of the reduction in grants made under this section for the preceding fiscal year resulting from the application of section 407 for the fiscal year involved.

On page 29, line 16, strike "(f)" and insert "(g)".

On page 66 line 7, insert "and a preliminary assessment of the job placement performance bonus established under section 403(f)" before the period.

On page 108, between lines 20 and 21, insert the following new subsection:

(i) REPEAL OF MARKET PROMOTION PROGRAM.—Section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) is repealed.

## AMENDMENT NO. 2635

(Purpose: To require that 25 percent of the funds for workforce employment activities be expended to carry out such activities for dislocated workers)

In section 716(a), add at the end the following:

(11) WORKFORCE EMPLOYMENT ACTIVITIES FOR DISLOCATED WORKERS.—Each State shall

use 25 percent of the funds made available to the State for a program year under section 713(a)(1), less any portion of such funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)), to provide workforce employment activities for dislocated workers.

## AMENDMENT NO. 2636

(Purpose: To establish a definition of a local workforce development board)

On page 324, strike lines 1 through 3 and insert the following:

(17) LOCAL WORKFORCE DEVELOPMENT BOARD.—The term "local workforce development board" means a board established under section 715.

## AMENDMENT NO. 2637

(Purpose: To provide a conforming amendment with respect to local workforce development boards)

On page 380, strike lines 17 through 22 and insert the following:

(i) such additional factors as the Governor (in consultation with local workforce development boards) determines to be necessary.

## AMENDMENT NO. 2638

(Purpose: To require the establishment of local workforce development boards)

Beginning on page 400, strike line 10 and all that follows through page 404, line 1 and insert the following:

the local workforce development board in the substate area.

## SEC. 728. LOCAL AGREEMENTS AND WORKFORCE DEVELOPMENT BOARDS.

(a) LOCAL AGREEMENTS.—

(1) IN GENERAL.—After a Governor submits the State plan described in section 714 to the Federal Partnership, the Governor shall negotiate and enter into a local agreement regarding the workforce employment activities, school-to-work activities, and economic development activities (within a State that is eligible to carry out such activities, as described in subsection (c)) to be carried out in each substate area in the State with local workforce development boards.

(2) BUSINESS AND INDUSTRY INVOLVEMENT.—The business and industry representatives on the local workforce development board shall have a lead role in the design, management, and evaluation of the activities to be carried out in the substate area under the local agreement.

(3) CONTENTS.—

(A) STATE GOALS AND STATE BENCHMARKS.—Such an agreement shall include a description of the manner in which funds allocated to a substate area under this subtitle will be spent to meet the State goals and reach the State benchmarks in a manner that reflects local labor market conditions.

(B) COLLABORATION.—The agreement shall also include information that demonstrates the manner in which—

(i) the Governor; and  
(ii) the local workforce development board; collaborated in reaching the agreement.

(4) FAILURE TO REACH AGREEMENT.—If, after a reasonable effort, the Governor is unable to enter into an agreement with the local workforce development board, the Governor shall notify the partnership or board, as appropriate, and provide the partnership or board, as appropriate, with the opportunity to comment, not later than 30 days after the date of the notification, on the manner in which funds allocated to such substate area will be spent to meet the State goals and reach the State benchmarks.

(5) EXCEPTION.—A State that indicates in the State plan described in section 714 that the State will be treated as a substate area for purposes of the application of this subtitle shall not be subject to this subsection.

**(b) LOCAL WORKFORCE DEVELOPMENT BOARDS.—**

(1) IN GENERAL.—Each State shall facilitate  
AMENDMENT NO. 2639

(Purpose: To clarify the role of the summer jobs program)

In section 759, strike subsections (b) through (e) and insert the following:

(b) STATE USE OF FUNDS.—

(1) CORE JOB CORPS ACTIVITIES.—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to establish and operate Job Corps centers as described in chapter 2, if a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 755.

(2) CORE WORK-BASED LEARNING OPPORTUNITIES.—

(A) IN GENERAL.—The State shall use 25 percent of the funds made available to the State through an allotment received under subsection (c) to make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist the substate areas in organizing summer jobs programs that provide work-based learning opportunities in the private and public sectors that are directly linked to year-round school-to-work activities in the substate areas.

(B) LIMITATION.—No funds provided under this subtitle shall be used to displace employed workers.

(3) PERMISSIBLE ACTIVITIES.—The State may use a portion of the funds described in paragraph (1) to—

(A) make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist each such entity in carrying out alternative programs to assist out-of-school at-risk youth in participating in school-to-work activities in the substate area; and

(B) carry out other workforce development activities specifically for at-risk youth.

(c) ALLOTMENTS.—

(1) IN GENERAL.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall allot to each State an amount equal to the total of—

(A) the amount made available to the State under paragraph (2); and

(B) the amounts made available to the State under subparagraphs (C), (D), and (E) of paragraph (3).

(2) ALLOTMENTS BASED ON FISCAL YEAR 1996 APPROPRIATIONS.—Using a portion of the funds appropriated under subsection (g) for a fiscal year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to carry out activities related to the direct operation of the centers, as determined under section 755(a)(2).

(3) ALLOTMENTS BASED ON POPULATIONS.—

(A) DEFINITIONS.—As used in this paragraph:

(i) INDIVIDUAL IN POVERTY.—The term “individual in poverty” means an individual who—

(I) is not less than age 18;

(II) is not more than age 64; and

(III) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(ii) POVERTY LINE.—The term “poverty line” means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section

673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(B) TOTAL ALLOTMENTS.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall use the remainder of the funds that are appropriated under subsection (g) for a fiscal year, and that are not made available under paragraph (2), to make amounts available under this paragraph.

(C) UNEMPLOYED INDIVIDUALS.—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in the United States.

(D) INDIVIDUALS IN POVERTY.—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in the United States.

(E) AT-RISK YOUTH.—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the total number of at-risk youth in the State bears to the total number of at-risk youth in the United States.

(d) STATE PLAN.—

(1) INFORMATION.—To be eligible to receive an allotment under subsection (c), a State shall include, in the State plan to be submitted under section 714, information describing the allocation within the State of the funds made available through the allotment, and how the programs and activities described in subsection (b) will be carried out to meet the State goals and reach the State benchmarks.

(2) LIMITATION.—A State may not be required to include the information described in paragraph (1) in the State plan to be submitted under section 714 to be eligible to receive an allotment under section 712.

(e) APPLICATION.—To be eligible to receive a grant under paragraph (2) or (3)(A) of subsection (b) from a State to carry out programs in a substate area, an entity shall prepare and submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. The Governor may establish criteria for reviewing such applications. Any such criteria shall, at a minimum, include the extent to which the local partnership described in section 728(a) (or, where established, the local work force development board described in section 728(b)) for the substate area approves of such application.

AMENDMENT NO. 2640

(Purpose: To expand the provisions relating to the limitation of the use of funds under title VII)

At the end of section 716(f), insert the following:

(4) DISPLACEMENT.—No funds provided under this title shall be used in a manner that would result in—

(A) the displacement of any currently employed worker (including partial displacement such as a reduction in wages, hours of nonovertime work, or employment benefits) or the impairment of an existing contract for services or collective bargaining agreement; or

(B) the employment or assignment of a participant to fill a position when—

(i) any other person is on layoff from the same or a substantially equivalent position; or

(ii) the employer has terminated the employment of any other employee or otherwise reduced its workforce in order to fill the vacancy so created with a participant subsidized under this title.

(5) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in work activities pursuant to this title. Appropriate workers' compensation and tort claims protections shall be provided to participants on the same basis as such protections are provided to other individuals in the State in similar employment (as determined under regulations issued by the Secretary of Labor).

(6) EMPLOYMENT CONDITIONS.—Participants employed or assigned to work in positions subsidized under this title shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(7) DISPUTE RESOLUTION PROCEDURE.—The State shall establish and maintain (pursuant to regulations issued by the Secretary of Labor) a dispute resolution procedure for resolving complaints alleging violations of any of the prohibitions or requirements described in this subsection. Such procedure shall include an opportunity for a hearing and shall be completed not later than the 90th day after the date of the submission of a complaint, by which day the complainant shall be provided a written decision by the State. A decision of the State under such procedure, or a failure of a State to issue a decision within the 90-day period, may be appealed to the Secretary of Labor, who shall investigate the allegations contained in the complaint and make a determination not later than 60 days after the date of the appeal as to whether a violation of a prohibition or requirement of this subsection has occurred.

(8) REMEDIES.—

(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), remedies that may be imposed under this paragraph for violations of the prohibitions and requirements described in this subsection shall be limited to—

(i) suspension or termination of payments under this title;

(ii) prohibition of placement of any participant, for an appropriate period of time, with an employer that has violated this subsection; and

(iii) appropriate equitable relief (other than back pay).

(B) EXCEPTIONS.—

(i) REPAYMENT.—If the Secretary of Labor determines that a violation of paragraph (2) or (3) has occurred, the Secretary of Labor

shall require the State or substate recipient of funds that has violated paragraph (2) or (3), respectively, to repay to the United States an amount equal to the amount expended in violation of paragraph (2) or (3), respectively.

(ii) **ADDITIONAL REMEDIES.**—In addition to the remedies available under subparagraph (A), remedies available under this paragraph for violations of paragraph (4) may include—

(I) reinstatement of the displaced employee to the position held by such employee prior to displacement;

(II) payment of lost wages and benefits of the employee; and

(III) reestablishment of other relevant terms, conditions, and privileges of employment of the employee.

(C) **OTHER LAWS OR CONTRACTS.**—Nothing in this paragraph shall be construed to prohibit a complainant from pursuing a remedy authorized under another Federal, State, or local law or a contract or collective bargaining agreement for a violation of the prohibitions or requirements described in this subsection.

AMENDMENT NO. 2641

(Purpose: To improve the State apportionment of funds by activity)

On page 337, strike lines 4 through 20 and insert the following:

(a) **ACTIVITIES.**—From the sum of the funds made available to a State through an allotment received under section 712 and the funds made available under section 901(c)(1)(A) of the Social Security Act (42 U.S.C. 1101(c)(1)(A)) to carry out this title for a program year—

(1) a portion equal to 40 percent of such sum (which portion shall include the amount allotted to the State from funds made available under section 901(c)(1)(A) of the Social Security Act) shall be made available for workforce employment activities or activities described in section 716(a)(10);

(2) a portion equal to 25 percent of such sum shall be made available for workforce education activities; and

(3) a portion (referred to in this title as the “flex account”) equal to 35 percent of such sum shall be made available for flexible workforce activities.

AMENDMENT NO. 2642

(Purpose: To clarify the role of the summer jobs program)

In section 759, strike subsections (b) through (e) and insert the following:

(b) **STATE USE OF FUNDS.**—

(1) **CORE JOB CORPS ACTIVITIES.**—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to establish and operate Job Corps centers as described in chapter 2, if a center located in the State received assistance under part B of title IV of the Job Training Partnership Act for fiscal year 1996 and was not closed in accordance with section 755.

(2) **CORE WORK-BASED LEARNING OPPORTUNITIES.**—

(A) **IN GENERAL.**—The State shall use a portion of the funds made available to the State through an allotment received under subsection (c) to make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist the substate areas in organizing summer jobs programs that provide work-based learning opportunities in the private and public sectors that are directly linked to year-round school-to-work activities in the substate areas.

(B) **LIMITATION.**—No funds provided under this subtitle shall be used to displace employed workers.

(3) **PERMISSIBLE ACTIVITIES.**—The State may use a portion of the funds described in paragraph (1) to—

(A) make grants to eligible entities in substate areas, in accordance with the procedures described in subsection (e), to assist each such entity in carrying out alternative programs to assist out-of-school at-risk youth in participating in school-to-work activities in the substate area; and

(B) carry out other workforce development activities specifically for at-risk youth.

(c) **ALLOTMENTS.**—

(1) **IN GENERAL.**—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall allot to each State an amount equal to the total of—

(A) the amount made available to the State under paragraph (2); and

(B) the amounts made available to the State under subparagraphs (C), (D), and (E) of paragraph (3).

(2) **ALLOTMENTS BASED ON FISCAL YEAR 1996 APPROPRIATIONS.**—Using a portion of the funds appropriated under subsection (g) for a fiscal year, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State the amount that Job Corps centers in the State expended for fiscal year 1996 under part B of title IV of the Job Training Partnership Act to carry out activities related to the direct operation of the centers, as determined under section 755(a)(2).

(3) **ALLOTMENTS BASED ON POPULATIONS.**—

(A) **DEFINITIONS.**—As used in this paragraph:

(i) **INDIVIDUAL IN POVERTY.**—The term “individual in poverty” means an individual who—

(I) is not less than age 18;

(II) is not more than age 64; and

(III) is a member of a family (of 1 or more members) with an income at or below the poverty line.

(ii) **POVERTY LINE.**—The term “poverty line” means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(B) **TOTAL ALLOTMENTS.**—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall use the remainder of the funds that are appropriated under subsection (g) for a fiscal year, and that are not made available under paragraph (2), to make amounts available under this paragraph.

(C) **UNEMPLOYED INDIVIDUALS.**—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in the United States.

(D) **INDIVIDUALS IN POVERTY.**—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to

each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in the United States.

(E) **AT-RISK YOUTH.**—From funds equal to 33½ percent of such remainder, the Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall make available to each State an amount that bears the same relationship to such funds as the total number of at-risk youth in the State bears to the total number of at-risk youth in the United States.

(d) **STATE PLAN.**—

(1) **INFORMATION.**—To be eligible to receive an allotment under subsection (c), a State shall include, in the State plan to be submitted under section 714, information describing the allocation within the State of the funds made available through the allotment, and how the programs and activities described in subsection (b) will be carried out to meet the State goals and reach the State benchmarks.

(2) **LIMITATION.**—A State may not be required to include the information described in paragraph (1) in the State plan to be submitted under section 714 to be eligible to receive an allotment under section 712.

(e) **APPLICATION.**—To be eligible to receive a grant under paragraph (2) or (3)(A) of subsection (b) from a State to carry out programs in a substate area, an entity shall prepare and submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. The Governor may establish criteria for reviewing such applications. Any such criteria shall, at a minimum, include the extent to which the local partnership described in section 728(a) (or, where established, the local workforce development board described in section 728(b)) for the substate area approves of such application.

AMENDMENT NO. 2643

(Purpose: To increase the authorization of appropriations for workforce development activities)

On page 424, line 8, strike “\$6,127,000,000” and insert “\$8,100,000,000”.

AMENDMENT NO. 2644

(Purpose: To limit the percentage of the flex account funds that may be used for economic development activities)

Beginning on page 366, strike line 24 and all that follows through page 367 line 24, and insert the following:

(e) **ECONOMIC DEVELOPMENT ACTIVITIES.**—

(1) **IN GENERAL.**—In the case of a State that meets the requirements of section 728(c), the State may, subject to paragraph (2), use not more than 10 percent of the funds made available to the State under this subtitle through the flex account to supplement other funds provided by the State or private sector—

(A) to provide customized assessments of the skills of workers and an analysis of the skill needs of employers;

(B) to assist consortia of small- and medium-size employers in upgrading the skills of their workforces;

(C) to provide productivity and quality improvement training programs for the workforces of small- and medium-size employers;

(D) to provide recognition and use of voluntary industry-developed skills standards by employers, schools, and training institutions;

(E) to carry out training activities in companies that are developing modernization plans in conjunction with State industrial extension service offices; and

(F) to provide on-site, industry-specific training programs supportive of industrial and economic development:

through the statewide system.

(2) CONDITIONS.—In order for a State to be eligible to use funds described in paragraph (1) to award a grant to provide services described in paragraph (1)—

(A) the State shall make available (directly or through donations from the affected employers or businesses) non-Federal contributions in an amount equal to not less than \$1 for every \$1 of Federal funds provided under the grant;

(B) the services are designed to result in an increase in the wages of the incumbent workers served; and

(C) the providers of the services are—

(i) eligible to provide services under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.); or

(ii) determined to be eligible, under procedures established by the Governor, to receive payment through vouchers as described in subsection (a)(9)(B)(i)(III).

AMENDMENT NO. 2645

(Purpose: To make a conforming amendment regarding limiting the percentage of the flex account funds that may be used for economic development activities)

On page 407, line 16, strike “the funds” and insert “not more than 10 percent of funds”.

AMENDMENT NO. 2646

(The text of the amendment (No. 2646) is printed in today's RECORD under “Amendments Submitted.”)

AMENDMENT NO. 2647

(Purpose: To ensure that students have broad exposure to a wide range of knowledge on occupations and choices for skill training)

At the end of section 716, add the following new subsection:

(h) ALL ASPECTS OF AN INDUSTRY.—

(1) DEFINITION.—As used in this subsection, the term “all aspects of an industry”, used with respect to a participant, means all aspects of the industry or industry sector the participant is preparing to enter, including planning, management, finances, technical and production skills, underlying principles of technology, labor and community issues, health and safety issues, and environmental issues, related to such industry or industry sector.

(2) WORKFORCE EDUCATION ACTIVITIES AND SCHOOL-TO-WORK ACTIVITIES.—Each State that receives an allotment under section 712 shall ensure that the workforce education activities and school-to-work activities carried out with funds made available through the allotment provide strong experience in and understanding of all aspects of an industry relating to the career major of each participant in either type of activities.

(3) STATE PLAN REQUIREMENT.—To be eligible to receive an allotment under section 712, the State shall specify, in the portion of the State plan described in section 714(c)(3) (relating to workforce education activities), how the activities will provide participants with the experience and understanding described in paragraph (2).

(4) STATE BENCHMARKS.—In developing and identifying State benchmarks that measure student mastery of academic knowledge and work readiness skills under section 731(c)(2)(A), the State shall develop and identify State benchmarks that measure the understanding of all aspects of an industry by student participants.

AMENDMENT NO. 2648

(Purpose: To clarify the advisory nature of the responsibilities of the National Board)

On page 323, line 8, strike “under the direction of the National Board” and insert

“under the joint direction of the Secretary of Labor and the Secretary of Education”.

On page 469, lines 4 and 5, strike “The Federal Partnership shall be directed by” and insert “There shall be in the Federal Partnership”.

On page 470, lines 20 and 21, strike “oversee all activities” and insert “provide advice to the Secretary of Labor and the Secretary of Education regarding all activities”.

On page 476, line 19, strike “to the National Board”.

On page 496, line 4, strike “to the National Board” and insert “to the President”.

On page 496, lines 7 through 9, strike “the President, the Committee on Economic and Educational Opportunities of the House of Representatives,” and insert “the Committee on Economic and Educational Opportunities of the House of Representatives”.

Beginning on page 497, strike line 25 and all that follows through page 500, line 4, and insert the following:

(3) REVIEW.—

(A) IN GENERAL.—Not later than 45 days after the date of submission of the proposed workplan under paragraph (1), the President shall—

(i) review and approve the workplan; or  
(ii) reject the workplan, prepare an alternative workplan that contains the analysis, information, and determinations described in paragraph (2), and submit the alternative workplan to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(B) FUNCTIONS TRANSFERRED.—If the President approves the proposed workplan, or prepares the alternative workplan, the functions described in paragraph (2)(C), as determined in such proposed or alternative workplan, shall be transferred under subsection (b).

(C) SPECIAL RULE.—If the President takes no action on the proposed workplan submitted under paragraph (1) within the 45-day period described in subparagraph (A), such workplan shall be deemed to be approved and shall take effect on the day after the end of such period. The functions described in paragraph (2)(C), as determined in the proposed workplan, shall be transferred under subsection (b).

(4) REPORT.—Not later than July 1, 1998, the Secretary of Education and the Secretary of Labor shall submit to the appropriate committees of Congress information on the transfers required by this section.

On page 501, line 5, strike “National Board” and insert “Secretary of Labor and Secretary of Education, acting jointly”.

On page 501, lines 8 and 9, strike “National Board” and insert “Secretaries”.

On page 501, lines 11 and 12, strike “National Board” and insert “Secretary of Labor and Secretary of Education”.

On page 501, line 13, strike “National Board” and insert “Secretaries”.

On page 501, line 15, strike “National Board” and insert “Secretary of Labor and Secretary of Education, acting jointly”.

On page 505, line 9, strike “National Board” and insert “Secretary of Labor and Secretary of Education, acting jointly”.

On page 511, lines 4 and 5, strike “Director, or National Board” and insert “or Director.”.

On page 558, lines 15 through 18 and insert the following:

administered by the Secretary of Education (referred to in this section as the “Secretary”). The Secretary may include in

On page 558, line 20, strike “National Board” and insert “Secretary”.

On page 559, lines 1 and 2, strike “National Board” and insert “Secretary”.

On page 559, lines 9 and 10, strike “National Board” and insert “Secretary”.

On page 559, line 11, strike “National Board” and insert “Secretary”.

On page 559, line 12, strike “National Board’s” and insert “Secretary’s”.

On page 559, line 15, strike “National Board” and insert “Secretary”.

On page 564, line 19 and 20, strike “National Board” and insert “Secretary”.

On page 566, line 18, strike “National Board” and insert “Secretary”.

On page 567, line 22, strike “National Board.”.

On page 568, line 3 and 4, strike “the National Board.”.

On page 569, line 3, strike “National Board” and insert “Secretary of Education (referred to in this section as the ‘Secretary’)”.

On page 569, line 9, strike “National Board” and insert “Secretary”.

On page 572, line 24, strike “National Board” and insert “Secretary”.

On page 573, line 22, strike “National Board” and insert “Secretary”.

On page 575, line 5, strike “National Board” and insert “Secretary”.

On page 575, line 10, strike “National Board” and insert “Secretary”.

On page 575, line 15, strike “National Board” and insert “Secretary”.

AMENDMENT NO. 2649

(Purpose: To provide both women and men with access to training in occupations or fields of work in which women or men comprise less than 25 percent of the individuals employed in such occupations or fields of work, with respect to workforce development activities)

At the end of section 716, add the following new subsection:

(h) NONTRADITIONAL OCCUPATIONS.—

(1) DEFINITION.—The term “nontraditional occupation”, used with respect to women or men, refers to an occupation or field of work in which women or men, respectively, comprise less than 25 percent of the individuals employed in such occupation or field of work.

(2) WORKFORCE EMPLOYMENT ACTIVITIES.—Each State that receives an allotment under section 712 may, in carrying out workforce employment activities with funds made available through the allotment, carry out—

(A) programs encouraging women and men to consider nontraditional occupations for women and men, respectively; and

(B) development and training relating to provision of effective services, including the provision of current information (as of the date of the provision) on high-wage, high-demand occupations, to individuals with multiple barriers to employment.

(3) WORKFORCE EDUCATION ACTIVITIES.—Each State that receives an allotment under section 712 shall ensure that the workforce education activities carried out with funds made available through the allotment provide exposure to high-wage, high-skill careers.

(4) STATE BENCHMARKS.—In developing and identifying State benchmarks under section 731(c)(1), the State shall develop and identify State benchmarks that measure the understanding of all aspects of an industry by participants.

AMENDMENT NO. 2650

(Purpose: To provide both women and men with access to training in occupations or fields of work in which women or men comprise less than 25 percent of the individuals employed in such occupations or fields of work, with respect to workforce preparation activities for at-risk youth)

At the end of subtitle C, add the following:

**SEC. 760. NONTRADITIONAL OCCUPATIONS.**

(a) DEFINITION.—The term “nontraditional occupation”, used with respect to women or men, refers to an occupation or field of work in which women or men, respectively, comprise less than 25 percent of the individuals employed in such occupation or field of work.

(b) JOB CORPS.—A State that receives funds through an allotment made under section 759(c)(2) shall ensure that enrollees assigned to Job Corps centers in the State receive career awareness activities relating to nontraditional occupations for women and men.

(c) PERMISSIBLE WORKFORCE PREPARATION ACTIVITIES.—A State that receives funds through an allotment made under section 759(c)(3) and uses the funds to assist entities in providing work-based learning as a component of school-to-work activities under section 759(b)(2)(B) shall ensure that the work-based learning includes career exploration programs and occupational skill training relating to nontraditional occupations for women and men.

**AMENDMENT NO. 2651**

(Purpose: To ensure that States reference existing academic and occupational standards in their State plans)

On page 340, line 9, after “State” insert the following: “, including how the State will develop, adopt, or use industry-recognized skill standards, such as the skill standards endorsed by the National Skill Standards Board, to identify skill needs for current (as of the date of submission of the plan) and emerging occupations”.

**AMENDMENT NO. 2652**

(Purpose: To ensure that State plans describe activities that will enable States to meet their benchmarks)

Beginning on page 349, strike line 6 and all that follows through page 351, line 20, and insert the following:

Beginning on page 349, strike line 6 and all that follows through page 351, line 20, and insert the following:

(d) PROCEDURE FOR DEVELOPMENT OF PART OF PLAN RELATING TO STRATEGIC PLAN.—

(1) DESCRIPTION OF DEVELOPMENT.—The part of the State plan relating to the strategic plan shall include a description of the manner in which—

- (A) the Governor;
- (B) the State educational agency;
- (C) representatives of business and industry, including representatives of key industry sectors, and of small- and medium-size and large employers, in the State;
- (D) representatives of labor and workers;
- (E) local elected officials from throughout the State;
- (F) the State agency officials responsible for vocational education;
- (G) the State agency officials responsible for postsecondary education;
- (H) the State agency officials responsible for adult education;
- (I) the State agency officials responsible for vocational rehabilitation;
- (J) such other State agency officials, including officials responsible for economic development and employment, as the Governor may designate;
- (K) the representative of the Veterans' Employment and Training Service assigned to the State under section 4103 of title 38, United States Code; and

(L) other appropriate officials, including members of the State workforce development board described in section 715, if the State has established such a board;

collaborated in the development of such part of the plan.

(2) FAILURE TO OBTAIN SUPPORT.—If, after a reasonable effort, the Governor is unable to obtain the support of the individuals and entities described in paragraph (1) for the strategic plan the Governor shall—

(A) provide such individuals and entities with copies of the strategic plan;

(B) allow such individuals and entities to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and entities with copies of such plan under subparagraph (A), comments on such plan; and

(C) include any such comments in such plan.

(e) APPROVAL.—The Secretary of Labor and the Secretary of Education, acting jointly on the advice of the Federal Partnership, shall approve a State plan if—

(1) the Federal Partnership determines that the plan contains the information described in subsection (c);

(2) the Federal Partnership determines that the State has prepared the plan in accordance with the requirements of this section, including the requirements relating to development of any part of the plan;

(3) the Federal Partnership determines that the State, in preparing the plan, has described activities that will enable the State to meet the State benchmarks; and

(4) the State benchmarks for the State have

**AMENDMENT NO. 2653**

(Purpose: To clarify that the term “labor market information” refers to labor market and occupational information)

In section 714(c)(2)(E), strike “labor market information” and insert “labor market and occupational information (referred to in this Act as ‘labor market information’)”.

**AMENDMENT NO. 2654**

(Purpose: To explicitly include occupational information in the labor market information system provided under workforce employment activities)

Strike section 773 and insert the following:

**SEC. 773. LABOR MARKET INFORMATION.**

(a) FEDERAL RESPONSIBILITIES.—The Federal Partnership, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide integrated labor market information system that shall include—

(1) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems, that, taken together, shall enumerate, estimate, and project the supply and demand for labor at the substate, State, and national levels in a timely manner, including data on—

(A) the demographics, socioeconomic characteristics, and current employment status of the substate, State, and national populations (as of the date of the collection of the data), including self-employed, part-time, and seasonal workers;

(B) job vacancies, education and training requirements, skills, wages, benefits, working conditions, and industrial distribution, of occupations, as well as current and projected employment opportunities and trends by industry and occupation;

(C) the educational attainment, training, skills, skill levels, and occupations of the populations;

(D) information maintained in a longitudinal manner on the quarterly earnings, es-

tablishment and industry affiliation, and geographic location of employment for all individuals for whom the information is collected by the States; and

(E) the incidence, industrial and geographical location, and number of workers displaced by permanent layoffs and plant closings;

(2) State and substate area employment and consumer information (which shall be current, comprehensive, automated, accessible, easy to understand, and in a form useful for facilitating immediate employment, entry into education and training programs, and career exploration) on—

(A) job openings, locations, hiring requirements, and application procedures, including profiles of industries in the local labor market that describe the nature of work performed, employment requirements, and patterns in wages and benefits;

(B) jobseekers, including the education, training, and employment experience of the jobseekers; and

(C) the cost and effectiveness of providers of workforce employment activities, workforce education activities, and flexible workforce activities, including the percentage of program completion, acquisition of skills to meet industry-recognized skill standards, continued education, job placement, and earnings, by participants, and other information that may be useful in facilitating informed choices among providers by participants;

(3) technical standards for labor market information that will—

(A) ensure compatibility of the information and the ability to aggregate the information from substate areas to State and national levels;

(B) support standardization and aggregation of the data from administrative reporting systems;

(C) include—

(i) classification and coding systems for industries, occupations, skills, programs, and courses;

(ii) nationally standardized definitions of labor market and occupational terms, including terms related to State benchmarks established pursuant to section 731(c);

(iii) quality control mechanisms for the collection and analysis of labor market information; and

(iv) common schedules for collection and dissemination of labor market information; and

(D) eliminate gaps and duplication in statistical undertakings, with a high priority given to the systemization of wage surveys;

(4) an analysis of data and information described in paragraphs (1) and (2) for uses such as—

(A) national, State, and substate area economic policymaking;

(B) planning and evaluation of workforce development activities;

(C) the implementation of Federal policies, including the allocation of Federal funds to States and substate areas; and

(D) research on labor market and occupational dynamics;

(5) dissemination mechanisms for data and analysis, including mechanisms that may be standardized among the States; and

(6) programs of technical assistance for States and substate areas in the development, maintenance, utilization, and continuous improvement of the data, information, standards, analysis, and dissemination mechanisms, described in paragraphs (1) through (5).

(b) JOINT FEDERAL-STATE RESPONSIBILITIES.—

(1) IN GENERAL.—The nationwide integrated labor market information system shall be planned, administered, overseen, and evaluated through a cooperative governance

structure involving the Federal Government and the States receiving financial assistance under this title.

(2) ANNUAL PLAN.—The Federal Partnership shall, with the assistance of the Bureau of Labor Statistics and other Federal agencies, where appropriate, prepare an annual plan that shall be the mechanism for achieving the cooperative Federal-State governance structure for the nationwide integrated labor market information system. The plan shall—

(A) establish goals for the development and improvement of a nationwide integrated labor market information system based on information needs for achieving economic growth and productivity, accountability, fund allocation equity, and an understanding of labor market and occupational characteristics and dynamics;

(B) describe the elements of the system, including—

(i) standards, definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in paragraphs (1) and (2) of subsection (a); and

(ii) assurances that—

(I) data will be sufficiently timely and detailed for uses including the uses described in subsection (a)(4);

(II) administrative records will be standardized to facilitate the aggregation of data from substate areas to State and national levels and to support the creation of new statistical series from program records; and

(III) paperwork and reporting requirements on employers and individuals will be reduced;

(C) recommend needed improvements in administrative reporting systems to be used for the nationwide integrated labor market information system;

(D) describe the current spending on integrated labor market information activities from all sources, assess the adequacy of the funds spent, and identify the specific budget needs of the Federal Government and States with respect to implementing and improving the nationwide integrated labor market information system;

(E) develop a budget for the nationwide integrated labor market information system that—

(i) accounts for all funds described in subparagraph (D) and any new funds made available pursuant to this title; and

(ii) describes the relative allotments to be made for—

(I) operating the cooperative statistical programs pursuant to subsection (a)(1);

(II) developing and providing employment and consumer information pursuant to subsection (a)(2);

(III) ensuring that technical standards are met pursuant to subsection (a)(3); and

(IV) providing the analysis, dissemination mechanisms, and technical assistance under paragraphs (4), (5), and (6) of subsection (a), and matching data;

(F) describe the involvement of States in developing the plan by holding formal consultations conducted in cooperation with representatives of the Governors of each State or the State workforce development board described in section 715, where appropriate, pursuant to a process established by the Federal Partnership; and

(G) provide for technical assistance to the States for the development of statewide comprehensive labor market information systems described in subsection (c), including assistance with the development of easy-to-use software and hardware, or uniform information displays.

For purposes of applying Office of Management and Budget Circular A-11 to determine persons eligible to participate in delibera-

tions relating to budget issues for the development of the plan, the representatives of the Governors of each State and the State workforce development board described in subparagraph (F) shall be considered to be employees of the Department of Labor.

(c) STATE RESPONSIBILITIES.—

(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this title, the Governor of a State shall—

(A) establish an interagency process for the oversight of a statewide comprehensive labor market information system and for the participation of the State in the cooperative Federal-State governance structure for the nationwide integrated labor market information system; and

(B) designate a single State agency or entity within the State to be responsible for the management of the statewide comprehensive labor market information system.

(2) DUTIES.—In order to receive Federal financial assistance under this title, the State agency or entity within the State designated under paragraph (1)(B) shall—

(A) consult with employers and local workforce development boards described in section 728(b), where appropriate, about the labor market relevance of the data to be collected and displayed through the statewide comprehensive labor market information system;

(B) develop, maintain, and continuously improve the statewide comprehensive labor market information system, which shall—

(i) include all of the elements described in paragraphs (1), (2), (3), (4), (5), and (6) of subsection (a); and

(ii) provide the consumer information described in clauses (v) and (vi) of section 716(a)(2)(B) in a manner that shall be responsive to the needs of business, industry, workers, and jobseekers;

(C) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination, through the statewide comprehensive labor market information system;

(D) conduct such other data collection, analysis, and dissemination activities to ensure that State and substate area labor market information is comprehensive;

(E) actively seek the participation of other State and local agencies, with particular attention to State education, economic development, human services, and welfare agencies, in data collection, analysis, and dissemination activities in order to ensure complementarity and compatibility among data;

(F) participate in the development of the national annual plan described in subsection (b)(2); and

(G) ensure that the matches required for the job placement accountability system by section 731(d)(2)(A) are made for the State and for other States.

(3) RULE OF CONSTRUCTION.—Nothing in this title shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this title.

(d) EFFECTIVE DATE.—This section shall take effect on July 1, 1998.

AMENDMENT NO. 2655

(Purpose: To provide a conforming amendment relating to labor market and occupational information)

In section 101(a)(3)(C)(i)(II) of the Rehabilitation Act of 1973, as amended by section 809(a)(8), strike "labor market information" and insert "labor market and occupational information".

AMENDMENT NO. 2656

(Purpose: To maintain the administration of the school-to-work programs in the School-to-Work office)

On page 465, strike lines 4 through 12.

AMENDMENT NO. 2657

(Purpose: To make the list of workforce education activities for which funds may be used more consistent with the provisions of the amendments made by the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990, and the provisions of the School-to-Work Opportunities Act of 1994)

On page 363, beginning with line 12, strike all through page 364, line 13, and insert the following:

(b) WORKFORCE EDUCATION ACTIVITIES.—The State educational agency shall use the funds made available to the State educational agency under this title for workforce education activities to carry out, through the statewide workforce development system, activities that include—

(1) ensuring that all students, including students who are members of special populations, have the opportunity to achieve to challenging State academic standards and industry-based skill standards;

(2) promoting the integration of academic and vocational education;

(3) supporting career majors in broad occupational clusters or industry sectors;

(4) effectively linking secondary education and postsecondary education, including implementing tech-prep programs;

(5) providing students with strong experience in, and understanding of, all aspects of the industry such students are preparing to enter;

(6) providing connecting activities that link each youth participating in workforce education activities under this subsection with an employer in an industry or occupation relating to the career of such youth;

(7) combining school-based and work-based instruction, including instruction in general workplace competencies;

(8) providing school-site and workplace mentoring;

(9) providing a planned program of job training and work experience that is coordinated with school-based learning;

(10) providing career guidance and counseling for students at the earliest possible age, including the provision of career awareness, career exploration, exposure to high-wage, high-skill careers, and guidance information, to students and their parents that is, to the extent possible, in a language and form that the students and their parents understand;

(11) expanding, improving, and modernizing quality vocational education programs;

(12) improving access to quality vocational education programs for at-risk youth;

(13) providing literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions;

(14) providing programs for adults and out-of-school youth to complete their secondary education; or

(15) providing programs of family and work-place literacy.

AMENDMENT NO. 2658

(The text of the amendment (No. 2658) is printed in today's RECORD under "Amendments Submitted.")

AMENDMENT NO. 2659

(The text of the amendment (No. 2659) is printed in today's RECORD under "Amendments Submitted.")

## AMENDMENT NO. 2660

(Purpose: To include volunteers among those for whom the National Center for Research in Education and Workforce Development conducts research and development, and provides technical assistance)

On page 489, line 18, insert "volunteers," after "teachers,".

## AMENDMENT NO. 2661

(Purpose: To provide supplemental security income benefits to persons who are disabled by reason of drug or alcohol abuse, and for other purposes)

On page 124, beginning on line 16, strike all through page 133, line 18, and insert the following:

**SEC. 201. LIMITED ELIGIBILITY OF NONCITIZENS FOR SSI BENEFITS.**

Paragraph (1) of section 1614(a) (42 U.S.C. 1382c(a)) is amended—

(1) in subparagraph (B)(i), by striking "either" and all that follows through "or" and inserting "(I) a citizen; (II) a noncitizen who is granted asylum under section 208 of the Immigration and Nationality Act or whose deportation has been withheld under section 243(h) of such Act for a period of not more than 5 years after the date of arrival into the United States; (III) a noncitizen who is admitted to the United States as a refugee under section 207 of such Act for not more than such 5-year period; (IV) a noncitizen, lawfully present in any State (or any territory or possession of the United States), who is a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage or who is the spouse or unmarried dependent child of such veteran; or (V) a noncitizen who has worked sufficient calendar quarters of coverage to be a fully insured individual for benefits under title II, or"; and

(2) by adding at the end the following new flush sentence:

"For purposes of subparagraph (B)(i)(IV), the determination of whether a noncitizen is lawfully present in the United States shall be made in accordance with regulations of the Attorney General. A noncitizen shall not be considered to be lawfully present in the United States for purposes of this title merely because the noncitizen may be considered to be permanently residing in the United States under color of law for purposes of any particular program."

**SEC. 202. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.**

Section 1614(a) (42 U.S.C. 1382c(a)) is amended by adding at the end the following new paragraph:

"(5) An individual shall not be considered an eligible individual for purposes of this title during the 10-year period beginning on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under part A of title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI."

**SEC. 203. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PAROLEE VIOLATORS.**

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)) is amended by adding at the end the following new paragraph:

"(6) A person shall not be an eligible individual or eligible spouse for purposes of this

title with respect to any month if during such month the person is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law."

(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Section 1631(e) (42 U.S.C. 1383(e)) is amended by inserting after paragraph (3) the following new paragraph:

"(4) Notwithstanding any other provision of law, the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient of benefits under this title, if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(A) the recipient—

"(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State;

"(ii) is violating a condition of probation or parole imposed under Federal or State law; or

"(iii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within the officer's official duties."

**SEC. 204. EFFECTIVE DATES; APPLICATION TO CURRENT RECIPIENTS.**

(a) SECTION 201.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the amendments made by section 201 shall apply to applicants for benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) APPLICATION AND NOTICE.—Notwithstanding any other provision of law, in the case of an individual who is receiving supplemental security income benefits under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits would terminate by reason of the amendments made by section 201, such amendments shall apply with respect to the benefits of such individual for months beginning on or after January 1, 1997, and the Commissioner of Social Security shall so notify the individual not later than 90 days after the date of the enactment of this Act.

(B) REAPPLICATION.—

(i) IN GENERAL.—Not later than 120 days after the date of the enactment of this Act, each individual notified pursuant to subparagraph (A) who desires to reapply for benefits under title XVI of the Social Security Act, as amended by this title, shall reapply to the Commissioner of Social Security.

(ii) DETERMINATION OF ELIGIBILITY.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall determine the eligibility of each individual who reapplies for benefits under clause (i) pursuant to the procedures of such title.

(b) OTHER AMENDMENTS.—The amendments made by sections 202 and 203 shall take effect on the date of the enactment of this Act.

**Subtitle B—Benefits for Disabled Children****SEC. 211. DEFINITION AND ELIGIBILITY RULES.**

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)) is amended—

## AMENDMENT NO. 2662

(Purpose: To provide demonstration projects for using neighborhood schools as centers for beneficial activities for children and their parents in order to break the welfare cycle)

On page 122, between lines 11 and 12, insert:

**SEC. 110. DEMONSTRATION PROJECTS FOR SCHOOL UTILIZATION.**

(a) FINDINGS.—It is the goal of the United States that children grow to be self-sufficient citizens, that parents equip themselves to provide the best parental care and guidance to their children, and that welfare dependency, crime, and the deterioration of neighborhoods be eliminated. It will contribute to these goals to increase the level of parents' involvement in their children's school and other activities, to increase the amount of time parents spend with or in close proximity to their children, to increase the portion of the day and night when children are in a safe and healthy environment and not exposed to unfavorable influences, to increase the opportunities for children to participate in safe, healthy, and enjoyable extra-curricular and organized developmental and recreational activities, and to make more accessible the opportunities for parents, especially those dependent on public assistance, to increase and enhance their parenting and living skills. All of these contributions can be facilitated by establishing the neighborhood public school as a focal point for such activities and by extending the hours of the day in which its facilities are available for such activities.

(b) GRANTS.—The Secretary of Education (hereafter in this section referred to as the "Secretary") shall make demonstration grants as provided in subsection (c) to States to enable them to increase the number of hours during each day when existing public school facilities are available for use for the purposes set forth in subsection (d).

(c) SELECTION OF STATES.—The Secretary shall make grants to not more than 5 States for demonstration projects in accordance with this section. Each State shall select the number and location of schools based on the amount of funds it deems necessary for a school properly to achieve the goals of this program. The schools selected must have a significant percentage of students receiving benefits under part A of title IV of the Social Security Act. No more than 2 percent of the grant to any State shall be used for administrative expenses of any kind by any entity (except that none of the activities set forth in paragraphs (1) and (2) of subsection (d) shall be considered an administrative activity the expenses for which are limited by this subsection).

(d) USE OF FUNDS.—The grants made under subsection (b), in order that school facilities can be more fully utilized, shall be used to provide funding for, among other things—

(1) extending the length of the school day, expanding the scope of student programs offered before and after pre-existing school hours, enabling volunteers and parents or professionals paid from other sources to teach, tutor, coach, organize, advise, or monitor students before and after pre-existing school hours, and providing security, supplies, utilities, and janitorial services before and after pre-existing school hours for these programs,

(2) making the school facilities available for community and neighborhood clubs, civic associations and organizations, Boy and Girl

Scouts and similar organizations, adult education classes, organized sports, parental education classes, and other educational, recreational, and social activities.

None of the funds provided under this section can be used to supplant funds already provided to a school facility for services, equipment, personnel, or utilities nor can funds be used to pay costs associated with operating school facilities during hours those facilities are already available for student or community use.

(e) APPLICATIONS.—

(1) IN GENERAL.—The Governor of each State desiring to conduct a demonstration project under this section shall prepare and submit to the Secretary an application in such manner and containing such information as the Secretary may require. The Secretary shall actively encourage States to submit such applications.

(2) APPROVAL.—The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this section and shall approve such applications in a number of States to be determined by the Secretary (not to exceed 5), taking into account the overall funding levels available under this section.

(f) DURATION.—A demonstration project under this section shall be conducted for not more than 4 years plus an additional time period of up to 12 months for final evaluation and reporting. The Secretary may terminate a project if the Secretary determines that the State conducting the project is not in substantial compliance with the terms of the application approved by the Secretary under this section.

(g) EVALUATION PLAN.—

(1) STANDARDS.—Not later than 3 months after the date of the enactment of this section, the Secretary shall develop standards for evaluating the effectiveness of each demonstration project in contributing toward meeting the objectives set forth in subsection (a), which shall include the requirement that an independent expert entity selected by the Secretary provide an evaluation of all demonstration projects, which evaluations shall be included in the appropriate State's annual and final reports to the Secretary under subsection (h)(1).

(2) SUBMISSION OF PLAN.—Each State conducting a demonstration project under this section shall submit an evaluation plan (meeting the standards developed by the Secretary under paragraph (1)) to the Secretary not later than 90 days after the State is notified of the Secretary's approval for such project. A State shall not receive any Federal funds for the operation of the demonstration project until the Secretary approves such evaluation plan.

(h) REPORTS.—

(1) STATE.—A State that conducts a demonstration project under this section shall prepare and submit to the Secretary annual and final reports in accordance with the State's evaluation plan under subsection (g)(2) for such demonstration project.

(2) SECRETARY.—The Secretary shall prepare and submit to the Congress annual reports concerning each demonstration project under this Act.

(i) AUTHORIZATIONS.—

(1) GRANTS.—There are authorized to be appropriated for grants under subsection (b) for each of fiscal years 1996, 1997, 1998, 1999, and 2000, \$10,000,000.

(2) ADMINISTRATION.—There are authorized to be appropriated \$1,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 for the administration of this section by the Secretary, including development of standards and evaluation of all demonstration projects by an independent expert entity under subsection (g)(1).

AMENDMENT NO. 2663

(Purpose: To provide demonstration projects for using neighborhood schools as centers for beneficial activities for children and their parents in order to break the welfare cycle, and for other purposes)

On page 122, between lines 11 and 12, insert:  
**SEC. 110. DEMONSTRATION PROJECTS FOR SCHOOL UTILIZATION.**

(a) FINDINGS.—It is the goal of the United States that children grow to be self-sufficient citizens, that parents equip themselves to provide the best parental care and guidance to their children, and that welfare dependency, crime, and the deterioration of neighborhoods be eliminated. It will contribute to these goals to increase the level of parents' involvement in their children's school and other activities, to increase the amount of time parents spend with or in close proximity to their children, to increase the portion of the day and night when children are in a safe and healthy environment and not exposed to unfavorable influences, to increase the opportunities for children to participate in safe, healthy, and enjoyable extracurricular and organized developmental and recreational activities, and to make more accessible the opportunities for parents, especially those dependent on public assistance, to increase and enhance their parenting and living skills. All of these contributions can be facilitated by establishing the neighborhood public school as a focal point for such activities and by extending the hours of the day in which its facilities are available for such activities.

(b) GRANTS.—The Secretary of Education (hereafter in this section referred to as the "Secretary") shall make demonstration grants as provided in subsection (c) to States to enable them to increase the number of hours during each day when existing public school facilities are available for use for the purposes set forth in subsection (d).

(c) SELECTION OF STATES.—The Secretary shall make grants to not more than 5 States for demonstration projects in accordance with this section. Each State shall select the number and location of schools based on the amount of funds it deems necessary for a school properly to achieve the goals of this program. The schools selected must have a significant percentage of students receiving benefits under part A of title IV of the Social Security Act. No more than 2 percent of the grant to any State shall be used for administrative expenses of any kind by any entity (except that none of the activities set forth in paragraphs (1) and (2) of subsection (d) shall be considered an administrative activity the expenses for which are limited by this subsection).

(d) USE OF FUNDS.—The grants made under subsection (b), in order that school facilities can be more fully utilized, shall be used to provide funding for, among other things—

(1) extending the length of the school day, expanding the scope of student programs offered before and after pre-existing school hours, enabling volunteers and parents or professionals paid from other sources to teach, tutor, coach, organize, advise, or monitor students before and after pre-existing school hours, and providing security, supplies, utilities, and janitorial services before and after pre-existing school hours for these programs,

(2) making the school facilities available for community and neighborhood clubs, civic associations and organizations, Boy and Girl Scouts and similar organizations, adult education classes, organized sports, parental education classes, and other educational, recreational, and social activities.

None of the funds provided under this section can be used to supplant funds already pro-

vided to a school facility for services, equipment, personnel, or utilities nor can funds be used to pay costs associated with operating school facilities during hours those facilities are already available for student or community use.

(e) APPLICATIONS.—

(1) IN GENERAL.—The Governor of each State desiring to conduct a demonstration project under this section shall prepare and submit to the Secretary an application in such manner and containing such information as the Secretary may require. The Secretary shall actively encourage States to submit such applications.

(2) APPROVAL.—The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this section and shall approve such applications in a number of States to be determined by the Secretary (not to exceed 5), taking into account the overall funding levels available under this section.

(f) DURATION.—A demonstration project under this section shall be conducted for not more than 4 years plus an additional time period of up to 12 months for final evaluation and reporting. The Secretary may terminate a project if the Secretary determines that the State conducting the project is not in substantial compliance with the terms of the application approved by the Secretary under this section.

(g) EVALUATION PLAN.—

(1) STANDARDS.—Not later than 3 months after the date of the enactment of this section, the Secretary shall develop standards for evaluating the effectiveness of each demonstration project in contributing toward meeting the objectives set forth in subsection (a), which shall include the requirement that an independent expert entity selected by the Secretary provide an evaluation of all demonstration projects, which evaluations shall be included in the appropriate State's annual and final reports to the Secretary under subsection (h)(1).

(2) SUBMISSION OF PLAN.—Each State conducting a demonstration project under this section shall submit an evaluation plan (meeting the standards developed by the Secretary under paragraph (1)) to the Secretary not later than 90 days after the State is notified of the Secretary's approval for such project. A State shall not receive any Federal funds for the operation of the demonstration project until the Secretary approves such evaluation plan.

(h) REPORTS.—

(1) STATE.—A State that conducts a demonstration project under this section shall prepare and submit to the Secretary annual and final reports in accordance with the State's evaluation plan under subsection (g)(2) for such demonstration project.

(2) SECRETARY.—The Secretary shall prepare and submit to the Congress annual reports concerning each demonstration project under this Act.

(i) AUTHORIZATIONS.—

(1) GRANTS.—There are authorized to be appropriated for grants under subsection (b) for each of fiscal years 1996, 1997, 1998, 1999, and 2000, \$10,000,000.

(2) ADMINISTRATION.—There are authorized to be appropriated \$1,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 for the administration of this section by the Secretary, including development of standards and evaluation of all demonstration projects by an independent expert entity under subsection (g)(1).

**SEC. 111. STUDY OF SCHOOLS WITH STUDENTS FAILING TO ENTER WORKFORCE.**

(a) STUDY.—The Secretary of Education shall conduct a study to—

(1) determine which high schools have the highest proportion of students, both those

who graduate and those who drop out before graduating, who never reach the workforce, and establish the reasons for such disproportionate failure, and

(2) measure the educational effectiveness of existing innovative educational mechanisms, including charter schools, extended school days, the community schools program, and child care programs, in increasing the proportion of a school's students who become a part of the workforce.

(b) REPORT.—The Secretary shall, not later than January 1, 1997, report to the Congress the results of the study conducted under subsection (a), including recommendations with respect to measures which prove effective in assisting schools in preparing students for the workforce.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$7,000,000 to carry out the purposes of this section.

**SEC. 112. SCHOOL CARE FOR CHILDREN OF INDIVIDUALS REQUIRED TO WORK.**

Notwithstanding any other provision of, or amendment made by, this title, if a State requires an individual receiving assistance under a State program funded under part A of title IV to engage in work activities, the State shall provide adult-supervised care to each school-age child of the individual before and after school during the hours during which the individual is working and in transit between home and work. Such care shall be provided at the location where each child attends school. Comparable activities shall be provided during the same daily time periods for all days during which the individual is working but school is not in session.

**SEC. 113. PARENTAL RESPONSIBILITY CONTRACTS.**

(a) ASSESSMENT.—Notwithstanding any other provision of, or amendment made by, this title, each State to which a grant is made under section 403 of the Social Security Act shall provide that the State agency, through a case manager, shall make an initial assessment of the education level, parenting skills, and history of parenting activities and involvement of each parent who is applying for financial assistance under the plan.

(b) PARENTAL RESPONSIBILITY CONTRACTS.—On the basis of the assessment made under subsection (a) with respect to each parent applicant, the case manager, in consultation with the parent applicant (hereafter in this subsection referred to as the "client"), and, if possible, the client's spouse if one is present, shall develop a parental responsibility contract for the client, which meets the following requirements:

(1) Sets forth the obligations of the client, including all of the following the case manager believes are within the ability and capacity of the client, are not incompatible with the employment or school activities of the client, and are not inconsistent with each other in the client's case or with the well being of the client's children:

(A) Attend school, if necessary, and maintain certain grades and attendance.

(B) Keep school-age children of the client in school.

(C) Immunize children of the client.

(D) Attend parenting and money management classes.

(E) Participate in parent and teacher associations and other activities intended to involve parents in their children's school activities and in the affairs of their children's school.

(F) Attend school activities with their children where attendance or participation by both children and parents is appropriate.

(G) Undergo appropriate substance abuse treatment counseling.

(H) Any other appropriate activity, at the option of the State.

(2) Provides that the client shall accept any bona fide offer of unsubsidized full-time employment, unless the client has good cause for not doing so.

**(c) PENALTIES FOR NONCOMPLIANCE WITH PARENTAL RESPONSIBILITY CONTRACT.—**

(1) IN GENERAL.—Except as provided in paragraph (2), the following penalties shall apply:

(A) PROGRESSIVE REDUCTIONS IN ASSISTANCE FOR 1ST AND 2ND ACTS OF NON-COMPLIANCE.—The State plan shall provide that the amount of assistance otherwise payable under this part to a family that includes a client who, with respect to a parental responsibility contract signed by the client, commits an act of noncompliance without good cause, shall be reduced by—

(i) 33 percent for the 1st such act of non-compliance; or

(ii) 66 percent for the 2nd such act of non-compliance.

(B) DENIAL OF ASSISTANCE FOR 3RD AND SUBSEQUENT ACTS OF NONCOMPLIANCE.—The State shall provide that in the case of the 3rd or subsequent such act of noncompliance, the family of which the client is a member shall not thereafter be eligible for assistance under this part.

(C) LENGTH OF PENALTIES.—The penalty for an act of noncompliance shall not exceed the greater of—

(i) in the case of—

(I) the 1st act of noncompliance, 1 month,

(II) the 2nd act of noncompliance, 3 months, or

(III) the 3rd or subsequent act of non-compliance, 6 months; or

(ii) the period ending with the cessation of such act of noncompliance.

(D) DENIAL OF ASSISTANCE TO ADULTS REFUSING TO ACCEPT A BONA FIDE OFFER OF EMPLOYMENT.—The State plan shall provide that if an unemployed individual who has attained 18 years of age refuses to accept a bona fide offer of employment without good cause, such act of noncompliance shall be considered a 3rd or subsequent act of non-compliance.

(2) STATE FLEXIBILITY.—The State plan may provide for different penalties than those specified in paragraph (1).

**SEC. 114. AMENDMENT TO GOALS 2000: EDUCATE AMERICA ACT.**

Section 102 of the Goals 2000: Educate America Act (20 U.S.C. 5812) is amended by adding at the end the following new paragraph:

"(9) SELF-SUFFICIENCY.—By the year 2000, fewer Americans will need to rely on welfare benefits because—

"(A) schools will place greater emphasis on equipping all students to achieve economic self-sufficiency in adulthood, regardless of whether they pursue higher education;

"(B) schools will not compromise educational standards in order to graduate students who have not achieved the recognized educational competency levels applicable to high school graduates; and

"(C) schools will focus more attention and resources on ensuring that children from families who receive public assistance, or are at risk of needing public assistance, make expected scholastic progress throughout their elementary and secondary schooling or are provided with special assistance and directed to remedial programs and activities designed to return them to expected levels of progress."

**AMENDMENT NO. 2664**

(Purpose: To require applicants for assistance who are parents to enter into a Parental Responsibility Contract and perform satisfactorily under its terms as a condition of receipt of that assistance)

On page 122, between lines 11 and 12, insert:  
**SEC. 110. PARENTAL RESPONSIBILITY CONTRACTS.**

(a) ASSESSMENT.—Notwithstanding any other provision of, or amendment made by, this title, each State to which a grant is made under section 403 of the Social Security Act shall provide that the State agency, through a case manager, shall make an initial assessment of the education level, parenting skills, and history of parenting activities and involvement of each parent who is applying for financial assistance under the plan.

(b) PARENTAL RESPONSIBILITY CONTRACTS.—On the basis of the assessment made under subsection (a) with respect to each parent applicant, the case manager, in consultation with the parent applicant (hereafter in this subsection referred to as the "client"), and, if possible, the client's spouse if one is present, shall develop a parental responsibility contract for the client, which meets the following requirements:

(1) Sets forth the obligations of the client, including all of the following the case manager believes are within the ability and capacity of the client, are not incompatible with the employment or school activities of the client, and are not inconsistent with each other in the client's case or with the well being of the client's children:

(A) Attend school, if necessary, and maintain certain grades and attendance.

(B) Keep school-age children of the client in school.

(C) Immunize children of the client.

(D) Attend parenting and money management classes.

(E) Participate in parent and teachers associations and other activities intended to involve parents in their children's school activities and in the affairs of their children's school.

(F) Attend school activities with their children where attendance or participation by both children and parents is appropriate.

(G) Undergo appropriate substance abuse treatment counseling.

(H) Any other appropriate activity, at the option of the State.

(2) Provides that the client shall accept any bona fide offer of unsubsidized full-time employment, unless the client has good cause for not doing so.

**(c) PENALTIES FOR NONCOMPLIANCE WITH PARENTAL RESPONSIBILITY CONTRACT.—**

(1) IN GENERAL.—Except as provided in paragraph (2), the following penalties shall apply:

(A) PROGRESSIVE REDUCTIONS IN ASSISTANCE FOR 1ST AND 2ND ACTS OF NON-COMPLIANCE.—The State plan shall provide that the amount of assistance otherwise payable under this part to a family that includes a client who, with respect to a parental responsibility contract signed by the client, commits an act of noncompliance without good cause, shall be reduced by—

(i) 33 percent for the 1st such act of non-compliance; or

(ii) 66 percent for the 2nd such act of non-compliance.

(B) DENIAL OF ASSISTANCE FOR 3RD AND SUBSEQUENT ACTS OF NONCOMPLIANCE.—The State shall provide that in the case of the 3rd or subsequent such act of noncompliance, the family of which the client is a member shall not thereafter be eligible for assistance under this part.

(C) LENGTH OF PENALTIES.—The penalty for an act of noncompliance shall not exceed the greater of—

(i) in the case of—

(I) the 1st act of noncompliance, 1 month,  
(II) the 2nd act of noncompliance, 3 months, or

(III) the 3rd or subsequent act of non-compliance, 6 months; or

(ii) the period ending with the cessation of such act of noncompliance.

(D) DENIAL OF ASSISTANCE TO ADULTS REFUSING TO ACCEPT A BONA FIDE OFFER OF EMPLOYMENT.—The State plan shall provide that if an unemployed individual who has attained 18 years of age refuses to accept a bona fide offer of employment without good cause, such act of noncompliance shall be considered a 3rd or subsequent act of non-compliance.

(2) STATE FLEXIBILITY.—The State plan may provide for different penalties than those specified in paragraph (1).

AMENDMENT NO. 2665

(Purpose: To reduce the income tax rate for individuals to equal the estimated cost of certain repealed programs)

Beginning on page 10, line 10, strike all through page 77, line 21, and insert the following:

(b) REDUCTION IN INDIVIDUAL TAX RATES.—Section 1 of the Internal Revenue Code of 1986 (relating to tax imposed) is amended by adding at the end the following new subsection:

“(i) ADJUSTMENTS IN TAX TABLES TO RELECT REPEAL OF CERTAIN PROGRAMS.—

“(1) IN GENERAL.—Not later than December 15 of 1995, and each subsequent calendar year, the Secretary shall prescribe tables which shall apply in lieu of the tables contained in subsections (a), (b), (c), (d), and (e) (after the application of subsection (f)) with respect to taxable years beginning in the succeeding calendar year.

“(2) METHOD OF PRESCRIBING TABLES.—The tables under paragraph (1) shall be prescribed by reducing the rates of tax proportionately such that the resulting loss of revenue for such calendar year equals the estimated total expenditures for the fiscal year in which such calendar year begins for part A of title IV of the Social Security Act as proposed to be added by Senate amendment numbered 2280 (as in effect on September 8, 1995).

Beginning on page 83, line 16, strike through page 86, line 3.

Beginning on page 87, line 6, strike through page 120, line 8.

Beginning on page 122, line 12, strike through page 124, line 12.

AMENDMENT NO. 2666

(Purpose: To make the Workforce Development System more responsive to changing local labor markets)

In section 702(a)(8), strike “private sector leadership in designing” and insert “private sector leadership and the diverse and changing demands of employers and workers in designing”.

In section 702(b)(1), insert before the semicolon the following: “and to respond more effectively to changing local labor markets”.

In section 703(29), insert before the period the following: “and designed to ensure that local labor and education and training markets are responsive to the diverse and changing demands of employers and workers”.

In section 716(a)(2)(B)(viii), strike “; and” and insert a semicolon.

In section 716(a)(2)(B)(ix), strike the period and insert “; and”.

At the end of section 716(a)(2)(B), add the following:

(x) establishment of such system of individual skill grants as will enable dislocated workers who are unable to find new jobs through the core services described in

clauses (i) through (ix), and who are unable to obtain other grant assistance (such as a Pell Grant), to learn new skills to find new jobs.

In section 716(a)(9), strike “provided under this subtitle” and insert “provided under this subtitle for persons age 18 or older who are unable to obtain other assistance (such as a Pell Grant)”.

At the end of section 731(b), add the following new paragraph:

(3) RESPONSIVENESS TO MARKET DEMAND.—Each statewide system supported by an allotment under section 712 shall be designed to meet the goal of ensuring that the local labor and education and training markets in the State are responsive to the diverse and changing demands of employers and workers.

At the end of section 731(c), add the following:

(8) RESPONSIVENESS TO MARKET DEMAND.—To be eligible to receive an allotment under section 712, a State shall develop, in accordance with paragraph (5), and identify in the State plan of the State, proposed quantifiable benchmarks to measure the statewide progress of the State in meeting the goal described in subsection (b)(3).

In section 732(a)(1)(A), strike “; or” and insert a semicolon.

In section 732(a)(1)(B), strike the period and insert “; or”.

At the end of section 732(a)(1), add the following:

(C) demonstrates to the Federal Partnership that the State has made a substantial increase in the number of dislocated workers placed in unsubsidized employment, the re-employment wage rates of the workers, or the speed of reemployment of the workers through the use of training vouchers or other continually improving systems that respond effectively to the diverse and changing demands of local employers and workers.

(The text of the amendment No. 2667, is printed in today’s RECORD under “Amendments Submitted”.)

AMENDMENT NO. 2668

(Purpose: To eliminate a repeal of title V of the Older Americans Act of 1965)

On page 520, strike lines 17 through 19 and insert the following:

(7) Title VII of the Stewart B. McKinney

(The text of the amendment No. 2669, is printed in today’s RECORD under “Amendments Submitted”.)

AMENDMENT NO. 2670

(Purpose: To allow a State to revoke an election to participate in the optional State food assistance block grant)

On page 229, strike lines 4 through 8 and insert the following:

“(2) ELECTION REVOCABLE.—A State that elects to participate in the program established under subsection (a) may subsequently reverse its election only once thereafter. Following such reversal, the State shall only be eligible to participate in the food stamp program in accordance with the other sections of this Act and shall not receive a block grant under this section.

AMENDMENT NO. 2671

(Purpose: To provide a 3 percent set aside for the funding of family assistance grants for Indians)

On page 26, before line 1, insert the following:

“(6) LOANS TO INDIAN TRIBES.—For purposes of this subsection, an Indian tribe with a tribal family assistance plan approved under section 414 shall be treated as a State, except that—

“(A) the Secretary may extend the time limitation under paragraph (4)(A);

“(B) the Secretary may waive the interest requirement under subparagraph (4)(B);

“(C) paragraph (4)(C) shall be applied by substituting ‘tribal family assistance grant under section 414’ for ‘State family assistance grant under subsection (a)(2)’; and

“(D) paragraph (5) shall be applied without regard to subparagraph (B).

On page 26, strike lines 11 through 16, and insert the following:

“(2) ELIGIBLE INDIAN TRIBE.—For purposes of paragraph (1), the term ‘eligible Indian tribe’ means an Indian tribe or Alaska Native organization that—

“(A) conducted a job opportunities and basic skills training program in fiscal year 1995 under section 482(i) (as in effect during such fiscal year); and

“(B) is not receiving a tribal family assistance grant under section 414.

Beginning on page 63, line 14, strike all through page 68, line 21, and insert the following:

“(a) IN GENERAL.—

“(1) APPLICATION.—

“(A) IN GENERAL.—An Indian tribe may apply at any time to the Secretary (in such manner as the Secretary prescribes) to receive a family assistance grant.

“(B) 3-YEAR TRIBAL FAMILY ASSISTANCE PLAN.—

“(i) IN GENERAL.—As part of the application under subparagraph (A), the Indian tribe shall submit to the Secretary a 3-year tribal family assistance plan that—

“(I) outlines the Indian tribe’s approach to providing welfare-related services for the 3-year period, consistent with the purposes of this section;

“(II) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

“(III) identifies the population and service area or areas to be served by such plan;

“(IV) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

“(V) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

“(VI) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31, United States Code.

Nothing in this clause shall preclude an Indian tribe from entering into an agreement with a State under the tribal family assistance plan for providing services to individuals residing outside the tribe’s jurisdiction or for providing services to non-tribal members residing within the tribe’s jurisdiction. Any such agreement shall include an appropriate transfer of funds from the State to the tribe.

“(ii) APPROVAL.—The Secretary shall approve each tribal family assistance plan submitted in accordance with clause (i).

“(2) PARTICIPATION.—If a tribe chooses to apply and the application is approved, such tribe shall be entitled to a direct payment in the amount determined in accordance with the provisions of subsection (b) for each fiscal year beginning after such approval.

“(3) NO PARTICIPATION.—If a tribe chooses not to apply, the amount that would otherwise be available to such tribe for the fiscal year shall be payable to the State in which

that tribe is located. Such State shall provide equitable access to services by recipients within that tribe's jurisdiction.

“(4) NO MATCH REQUIRED.—Indian tribes shall not be required to submit a monetary match to receive a payment under this section.

“(5) JOINT PROGRAMS.—An Indian tribe may also apply to the Secretary jointly with 1 or more such tribes to administer family assistance services as a consortium. The Secretary shall establish such terms and conditions for such consortium as are necessary.

“(b) PAYMENT AMOUNT.—

“(1) IN GENERAL.—From an amount equal to 3 percent of the amount specified under section 403(a)(4) for a fiscal year, the Secretary shall pay directly to each Indian tribe requesting a family assistance grant for such fiscal year an amount pursuant to an allocation formula determined by the Secretary based on the need for services and utilizing (if possible) data that is common to all Indian tribes.

“(2) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—An Indian tribe may reserve amounts paid to the Indian tribe under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the program operated under this part.

“(c) VOLUNTARY TERMINATION.—An Indian tribe may voluntarily terminate receipt of a family assistance grant. The Indian tribe shall give the State and the Secretary notice of such decision 6 months prior to the date of termination. The amount under subsection (b) with respect to such grant for the fiscal year shall be payable to the State in which that tribe is located. Such State shall provide equitable access to services by recipients residing within that tribe's jurisdiction. If a voluntary termination of a grant occurs under this subsection, the tribe shall not be eligible to submit an application under this section before the 6th year following such termination.

“(d) MINIMUM WORK PARTICIPATION REQUIREMENTS AND TIME LIMITS.—The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-related services under such grant, and penalties against individuals—

“(1) consistent with the purposes of this section;

“(2) consistent with the economic conditions and resources available to each tribe; and

“(3) similar to comparable provisions in section 404(d).

“(e) EMERGENCY ASSISTANCE.—Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

“(f) MAINTENANCE OF EFFORT ASSISTANCE.—Nothing in this section shall preclude a State from providing maintenance of effort funds to Indian tribes located in such State.

“(g) ACCOUNTABILITY.—Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

“(1) generally accepted accounting principles; and

“(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

“(h) TRIBAL PENALTIES.—For the purpose of ensuring the proper use of family assistance grants, the following provisions shall apply to an Indian tribe with an approved tribal assistance plan:

“(1) The provisions of subsections (a)(1), (a)(6), and (b) of section 407, in the same manner as such subsections apply to a State.

“(2) The provisions of section 407(a)(3), except that such subsection shall be applied by substituting ‘the minimum requirements established under subsection (d) of section 414’ for ‘the minimum participation rates specified in section 404’.

“(i) DATA COLLECTION AND REPORTING.—For the purpose of ensuring uniformity in data collection, section 409 shall apply to an Indian tribe with an approved family assistance plan.

“(j) INFORMATION SHARING.—Each State and the Indian tribes located within its jurisdiction may share (in a manner that ensures confidentiality) eligibility and other information on residents in such State that would be helpful for determining eligibility for other Federal and State assistance programs.

On page 101, between lines 20 and 21, insert the following:

(j) AMENDMENT TO TITLE XIX.—Section 1903(u)(1)(D) (42 U.S.C. 1396b(u)(1)(D)) is amended by adding at the end the following new clause:

“(vi) In determining the amount of erroneous excess payments, there shall not be included any erroneous payments made by the State to the benefit of members of Indian families based on correctly processed information received or information not timely received from a tribe with a tribal family assistance plan approved under part A of title IV of the Social Security Act.”

On page 108, between lines 20 and 21, insert the following:

(i) Section 16(c)(3) of the Food Stamp Act (7 U.S.C. 2025(c)(3)) is amended by adding at the end the following new subparagraph:

“(C) Any errors resulting from State payments to Indian families based on correctly processed information received or information not timely received from a tribe with a tribal family assistance plan approved under part A of title IV of the Social Security Act.”

#### AMENDMENT NO. 2672

(Purpose: To provide for a contingency grant fund)

Beginning on page 26, line 13, strike all through page 28, line 19, and insert the following:

“(d) CONTINGENCY FUND.—

“(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the ‘Contingency Fund for State Welfare Programs’ (hereafter in this section referred to as the ‘Fund’).

“(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are hereby appropriated for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 such sums as are necessary for payment to the Fund in a total amount not to exceed \$5,000,000,000, of which not more than \$4,000,000,000 shall be available during the first 5 fiscal years.

“(3) COMPUTATION OF GRANT.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Treasury shall pay to each eligible State in a fiscal year an amount equal to the Federal medical assistance percentage for such State for such fiscal year (as defined in section 1905(b)) of so much of the expenditures by the State in such year under the State program funded under this part as exceed the historic State expenditures for such State.

“(B) LIMITATION.—The total amount paid to a State under subparagraph (A) for any fiscal year shall not exceed an amount equal to 20 percent of the annual amount determined for such State under the State program funded under this part (without regard to this subsection) for such fiscal year.

“(C) METHOD OF COMPUTATION, PAYMENT, AND RECONCILIATION.—

“(i) METHOD OF COMPUTATION.—The method of computing and paying such amounts shall be as follows:

“(I) The Secretary of Health and Human Services shall estimate the amount to be paid to the State for each quarter under the provisions of subparagraph (A), such estimate to be based on a report filed by the State containing its estimate of the total sum to be expended in such quarter and such other information as the Secretary may find necessary.

“(II) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services.

“(ii) METHOD OF PAYMENT.—The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Department of the Treasury and prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

“(iii) METHOD OF RECONCILIATION.—If at the end of each fiscal year, the Secretary of Health and Human Services finds that a State which received amounts from the Fund in such fiscal year did not meet the maintenance of effort requirement under paragraph (5)(B) for such fiscal year, the Secretary shall reduce the State family assistance grant for such State for the succeeding fiscal year by such amounts.

“(4) USE OF GRANT.—

“(A) IN GENERAL.—An eligible State may use the grant—

“(i) in any manner that is reasonably calculated to accomplish the purpose of this part; or

“(ii) in any manner that such State used amounts received under part A or F of this title, as such parts were in effect before October 1, 1995.

“(B) REFUND OF UNUSED PORTION.—Any amount of a grant under this subsection not used during the fiscal year shall be returned to the Fund.

“(5) ELIGIBLE STATE.—

“(A) IN GENERAL.—For purposes of this subsection, a State is an eligible State with respect to a fiscal year, if such State—

“(i) has an average total unemployment rate or a children population in such State's food stamp program which exceeds such average total rate or population for fiscal year 1994; and

“(ii) has met the maintenance of effort requirement under subparagraph (B) for the State program funded under this part for the fiscal year.

“(B) MAINTENANCE OF EFFORT.—

“(i) IN GENERAL.—The maintenance of effort requirement for any State under this subparagraph for any fiscal year is the expenditure of an amount at least equal to 100 percent of the level of spending in fiscal year 1994.

“(ii) HISTORIC STATE EXPENDITURES.—For purposes of this subparagraph, the term ‘historic State expenditures’ means payments of cash assistance to recipients of aid to families with dependent children under the State plan under part A of title IV for fiscal year 1994, as in effect during such fiscal year.

“(iii) DETERMINING STATE EXPENDITURES.—For purposes of this subparagraph, State expenditures shall not include any expenditures from amounts made available by the Federal Government.

“(6) ANNUAL REPORTS.—The Secretary of the Treasury shall annually report to the Congress on the status of the Fund.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 2674 AND 2675 TO AMENDMENT NO. 2880

Mr. SANTORUM. Mr. President, I send two amendments to the desk and ask for their immediate consideration on behalf of the Senator from Kentucky [Mr. MCCONNELL].

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM, for Mr. MCCONNELL, proposes amendments numbered 2674 and 2675, to amendment No. 2280.

Mr. SANTORUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2674

(Purpose: To timely rapid implementation of provisions relating to the child and adult care food program)

On page 270, after line 23, insert the following:

(3) REGULATIONS.—

(A) INTERIM REGULATIONS.—Not later than February 1, 1996, the Secretary shall issue interim regulations to implement—

(i) the amendments made by paragraphs (1), (3), and (4) of subsection (b); and  
(ii) section 17(f)(3)(C) of the National School Lunch Act (42 U.S.C. 1766(f)(3)(C)).

(B) FINAL REGULATIONS.—Not later than August 1, 1996, the Secretary shall issue final regulations to implement the provisions of law referred to in subparagraph (A).

AMENDMENT NO. 2675

(Purpose: To clarify the school data provision of the child and adult care food program)

On page 268, strike lines 4 through 17 and insert the following:

“(I) IN GENERAL.—A State agency administering the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide to approved family or group day care home sponsoring organizations a list of schools serving elementary school children in the State in which not less than ½ of the children enrolled are certified to receive free or reduced price meals. The State agency shall collect the data necessary to create the list annually and provide the list on a timely basis to any approved family or group day care home sponsoring organization that requests the list.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the amendments be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2676 TO AMENDMENT NO. 2280

(Purpose: To strike the increase to the grant to reward States that reduce out-of-wedlock births)

Mr. SANTORUM. Mr. President, I send an amendment to the desk on behalf of the Senator from Oregon [Mr. PACKWOOD] and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for Mr. PACKWOOD, proposes an amendment numbered 2676 to amendment No. 2880.

Mr. SANTORUM. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, strike lines 5 through 22.

On page 11, line 23, insert the following:

(B) NONDISCRIMINATION AGAINST EMPLOYEES ADMINISTERING OR PROVIDING SERVICES.—

(i) PROHIBITION.—A religious organization with a contract described in subsection (a)(1)(A) shall not discriminate in employment on the basis of religion of an employee or prospective employee if such employee's primary responsibility is or would be administering or providing services under such contract.

(ii) QUALIFIED APPLICANTS.—If 2 or more prospective employees are qualified for a position administering or providing services under a contract described in subsection (a)(1)(A), nothing in this section shall prohibit a religious organization from employing a prospective employee who is already participating on a regular basis in other activities of the organization.

(C) PRESENT EMPLOYEES.—This paragraph shall not apply to employees of religious organizations with a contract described in subsection (a)(1)(A) if such employees are employed by such organization on the date of the enactment of this Act.

Mr. SANTORUM. Mr. President, I ask unanimous consent that amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, can we get a rough tally? I understand we are approaching 200, as the hour of 5 o'clock nears.

The PRESIDING OFFICER. The clerk has not yet added them up, I would say to the Senator.

Mr. MOYNIHAN. Perhaps when that does come we can have it recorded in our record for the day. I would appreciate that, sir.

Stop the clock, Mr. President.

AMENDMENT NO. 2677 TO AMENDMENT NO. 2280

(Purpose: To provide for an extension of transitional medicaid benefits)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk for Mr. KENNEDY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for Mr. KENNEDY, proposes an amendment numbered 2677 to amendment No. 2280

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with and the pending amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

#### MORNING BUSINESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that there now

be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT OF A REVISED DEFERRAL OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT—PM 79

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report, which was referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986, to the Committee on the Budget, to the Committee on Appropriations, and to the Committee on Foreign Relations.

*To the Congress of the United States:*

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one revised deferral of budgetary resources, totaling \$1.2 billion.

The deferral affects the International Security Assistance program.

WILLIAM J. CLINTON.

THE WHITE HOUSE, September 8, 1995.

#### MESSAGES FROM THE HOUSE

At 11:22 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its amendment to the bill (S. 4) to grant the power to the President to reduce budget authority, disagreed to by the Senate, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. CLINGER, Mr. SOLOMON, Mr. BUNNING of Kentucky, Mr. GOSS, Mr. BLUTE, Mrs. COLLINS of Illinois, Mr. SABO, and Mr. BEILENSON as the managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1817) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1996, and for other